

WORLD TRADE ORGANIZATION

English only

**Supporting Tables Relating to Commitments on Agricultural Products
in Part IV of the Schedules**

This document contains supporting material relating to commitments on agricultural products contained in Schedule XX - United States.

Anglais seulement

**Tableaux explicatifs concernant les engagements relatifs aux
produits agricoles repris dans la Partie IV des Listes**

Le présent document contient les données explicatives concernant les engagements relatifs aux produits agricoles inscrits dans la Liste XX - Etats-Unis.

Solamente inglés

**Cuadros justificantes relativos a los compromisos sobre productos
agropecuarios consignados en la Parte IV de las Listas**

En el presente documento figura la documentación justificante relativa a los compromisos sobre productos agropecuarios consignados en la Lista XX - Estados Unidos.

Supporting Table 4
AGRICULTURAL NEGOTIATION: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/				Description of program
	1986	1987	1988	1988-89	
(a) General services:	4,186,231	4,299,515	4,490,659	4,325,468	
Agricultural Research Service (ARS)					
Agricultural Research Ser.	484,032	491,201	514,155	496,463	Conducts research on a wide variety of topics, including soil and water conservation, plant and animal sciences, human nutrition, and integrated agricultural systems.
Buildings & Facilities	13,857	32,310	23,113	23,093	
Misc. Contributed Funds	2,676	3,000	3,123	2,933	
Tennessee Valley Authority (TVA)					
Agricultural Institute	4,947	4,205	3,564	4,239	Conducts research on problems related to agricultural development environmental quality, and fertilizer material and practices.
National fertilizer development	55,770	43,456	58,576	52,601	
Cooperative State Research Ser. (CSRS)					
Cooperative State Research Ser.	260,269	281,287	301,775	281,110	Research function. Provides grants to state agricultural research establishments. Participates in cooperative planning with state research institutions.
Extension Service (ES)					
Extension Ser.	339,956	318,916	317,529	325,467	Advisory function. Participates with state cooperative extension system on applied education, information, and technology transfer
National Agricultural Library (NAL)					
Natl Agricultural Library	11,467	8,771	12,359	10,866	Research and advisory function. Acquires, maintains, and disseminates information.
Agricultural Cooperatives Ser. (CO-OPS)					
Salaries & Expenses	4,390	4,583	4,517	4,497	Research and advisory function. Provides farmers and USDA administrators information related to cooperatives.
Agricultural Marketing Ser. (AMS)					
Marketing Services (AMS)	45,228	18,915	36,635	33,593	Marketing function.
Pyramids to States & Possessions (AMS)	934	763	776	824	Develops marketing standards. Provides news and inspection services Grants to states for projects, such as improving marketing information, and developing grading standards
Pensable Ag. Commod. Act Fund (AMS)	3,710	4,197	4,500	4,136	Uses license fees for legal actions against unfair buyer practices
Misc. Trust Funds (AMS)	88,072	65,692	88,831	80,865	Provides grading and certification services on a fee for service basis
State programs for agric. (FY outlays)	2,114,551	2,204,849	2,269,257	2,195,219	State governments provide a number of generally available services Includes extension, marketing, and research. excludes user financed activities and Federal grants.

Note: Footnotes at end of table.

AGRICULTURAL NEGOTIATION: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/				Description of program
	1986	1987	1988	1986-88	
Animal & Plant Health Inspec. Ser. (APHIS) Salaries & Expenses (APHIS) Buildings & Facilities (APHIS) Misc. Trust Funds (APHIS)	275,655 2,763 4,598	317,463 1,795 4,729	330,682 4,011 5,309	307,933 2,856 4,879	Inspection/post and disease control function Protects animal and plant resources from destructive pests and diseases
Federal Grain Inspec. Ser. (FGIS) Salaries & Expenses (FGIS)	7,016	6,879	7,239	7,045	Marketing/inspection functions. Establishes standards. Provides for official inspection and implementation of the system of standards for marketing
Inspection & Weighing Ser. (FGIS)	765	(2,971)	(4,946)	(2,384)	
Food Safety Inspection Ser. (FSIS) Salaries & Expenses (FSIS) Inspec. & Grading of Farm Prod. (FSIS)	347,534 802	372,125 918	389,757 1,129	369,805 950	Marketing/inspection function. Provides in plant inspection to assure quality of meat and poultry and the accuracy of labeling
Off. of Transportation (TRANS) Office of Trans.	2,233	2,293	2,489	2,338	Marketing function. Identifies transportation issues and provides information.
Packers & Stockyards Admin. (PSA) Packers & Stockyards Admin.	8,707	9,033	9,240	8,993	Conducts surveillance and investigatory activities to protect producers and consumers from unfair trade practices.
Economic Research Service (ERS) Economic Research Ser. Misc. Contributed Funds (ERS)	48,037 47	43,162 47	47,153 63	45,451 52	Research and advisory function. Performs economic research and analysis for the public, congress, and the executive branch
Natl Ag. Statistics Ser. (NASS) Natl Agricultural Ser. Misc. Contributed Funds (NASS)	58,257 312	60,263 104	57,801 275	58,774 230	Research and advisory function. Provides official estimates of resource utilization and production and prices of agricultural products
World Agricultural Outlook Board (WAOB) World Agric. Outlook Bd.	1,646	1,530	1,747	1,641	Research and advisory function. Provides economic information about current outlook and situation for commodity supply and price

Note: Footnotes at end of table.

Supporting Table 4
AGRICULTURAL NEGOTIATION: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/				Description of program
	1986	1987	1988	1988-89	
(b) Public Stockholding for Food Security:					
Commodity Credit Corporation (CCC) Food Security Wheat Reserve	(no acquisitions or use of reserve FY 1988-III)				Up to 4 million tons could be used for a Food Security Wheat Reserve according to the Food Security Wheat Reserve Act of 1981. The reserve is to be used solely for emergency humanitarian food need in developing countries, under the PL - 480 program.
(c) Domestic food aid:	10,570,368	10,882,258	20,022,856	19,158,494	
Food & Nutrition Ser. (FNS)					Food programs providing access to more nutritious diets for low income people and children.
Food Program Administration	77,872	77,410	84,831	80,038	Low income people receive financial assistance to help purchase nutritious food.
Food Stamp Program	11,619,439	11,555,481	12,264,964	11,813,295	It places the Food Stamp Program in Puerto Rico. Provides milk service in schools and institutions having no other federally assisted food programs.
Nutrition Assist. for Puerto Rico	823,696	851,984	880,261	851,980	Cash and commodities to assist children attain adequate diets.
Special Milk Prog	15,267	15,446	18,342	16,352	Food supplements for low income mothers, children, elderly.
Child Nutrition Prog.	3,819,734	4,044,830	4,286,242	4,050,269	Food supplements for low income mothers, children, elderly.
Nutrition for Women, Infants & Child.	1,577,523	1,701,705	1,852,446	1,710,558	Food supplements for low income mothers, children, elderly.
Commodity Supplemental food program	35,993	0	0	11,998	Provides cash or commodities to improve diets of elderly, Indians, and Micronesia.
Food donation program	183,371	188,254	193,937	188,521	
Human Nutrition Info. Ser. (HNIS) Salaries & Expenses	8,090	9,649	10,621	9,453	Conducts surveys of nutritional needs and diet possibilities. Provides consultation and information to public.
Temp. Emergency Food Assist. Prog. (TEFAP)	49,725	46,496	49,172	48,464	Helps states to purchase and distribute food to the needy.
Agricultural Marketing Ser. (AMS) Section 32 (AMS)	359,658	391,003	382,040	377,567	Funds purchases of commodities distributed to needy people through the FNS food programs described above.
(d) Decoupled income support:	0	0	0	0	

Note: Footnotes at end of table.

Supporting Table 4

AGRICULTURAL NEGOTIATION: SUPPORTING DATA
 DOMESTIC SUPPORT: UNITED STATES OF AMERICA
 Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/				Description of program
	1986	1987	1988	1986-88	
(a) Income insurance and safety-net programs:	0	0	0	0	
(b) Payments for relief for natural disasters.	572,795	89,228	3,478,915	1,380,313	
Commodity Credit Corporation (CCC) Crop disaster payments (crop year)	567,139	0	3,408,269	1,332,342	Under the Food Security Act of 1985 and the Disaster Assistance Acts of 1988 and 1989, assistance is provided to crop producers suffering from natural disasters. Assistance is provided if production losses are at least 30%.
Emergency food program (fiscal year) Emergency food ass. prog. (fiscal year) Forage assistance program	996 2/ 0	85,800 2/ 0	71,824 2/ 0	52,873 2/ 0	Compensates livestock producers for feed crop disasters Compensates livestock producers for feed crop disasters Compensates livestock producers for pastures damaged by drought or related conditions (1988 disaster act).
Trees assistance program	0	0	0	0	Compensates producers for loss of tree seedlings due to drought or related conditions (1988 disaster act).
Farmer's Home Administration (FmHA) Emergency loans 3/	4,660	3,428	822	2,970	Provides financial assistance to cover actual losses sustained by farmers in declared disaster areas.
(g) Structural adjustment through producer retirement programs:	0	0	0	0	

Note: Footnotes at end of table.

Supporting Table 4
AGRICULTURAL NEGOTIATION: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/				Description of program
	1986	1987	1988	1986-88	
(h) Structural adjustment through resource retirement programs: Conservation Reserve Prog.	610,146	526,524	459,377	532,016	Critical soil erosion is reduced through 10 year rental agreements to establish permanent cover crops on cropland.
	23,146	267,024	291,477	193,682	
Daily termination program (FY payments)	597,000	259,500	167,900	338,133	Payments were made to producers agreeing to terminate production for a 5 - year period.
(i) Structural adjustment through investment aids: Farmer's Home Administration	201,254	111,566	81,801	131,540	Program includes short - term and long - term loans made at preferential interest rates and loan guarantees. Eligibility (clearly defined in regulations) determined by status as owner - operator of a family - sized farm in situations of structural disadvantage (cannot obtain credit elsewhere).
	201,254	111,566	81,801	131,540	
(j) Environmental programs: Ag. Stabilization & Conser. Ser. (ASCS) Agricultural Conservation Prog. Colo. River Basin Sahn. Control Water Bank Prog. Emergency Conservation Prog Soil Conservation Service (SCS) Conservation Operations Great Plains Conservation Prog Resource Conserva. & Develop.	548,972	576,876	717,662	614,503	Conservation of soil and water through cost share agreements Water quality for down stream users enhanced by information/cost sharing Conservation of wetlands through 10 - year contracts with producers Assists in funding emergency conservation measures necessary to restore farmland damaged by natural disasters. To promote conservation of soil and water, SCS provides technical assistance, conducts soil surveys, and assesses erosion factors Cost share contracts for 3 to 10 years are used to help landowners implement long term conservation measures. Assists individuals and localities to develop area - wide plans for resource conservation and development.
	138,697	157,511	202,741	166,383	
	0	1,284	3,568	1,617	
	9,338	9,519	6,744	9,200	
	7,103	4,657	4,763	5,508	
	346,276	361,819	449,699	385,931	
	20,040	17,531	20,823	19,465	
	27,139	24,403	27,147	26,230	

Note: Footnotes at end of table.

Supporting Table 4

AGRICULTURAL NEGOTIATION: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Measures Exempt from the Reduction Commitment

Agency and program, by measure type	Outlays (thousand dollars) 1/			Description of program
	1986	1987	1988	
Farmer's Home Administration (FmHA)				
Soil and water loans program 3/	179	152	177	169
				Low interest loans and loan guarantees to assist farmers implement sound soil and water conservation practices.
(k) Regional assistance programs:	0	0	0	0
(l) Other:	0	0	0	0
Grand Total:	23,305,571	23,758,649	25,231,177	24,098,466

1/ Unless otherwise specified, data are outlays for fiscal years.

Outlays were excluded from domestic United States tables if not related directly to internal support of production agriculture. Wages and salaries and administrative expenses were excluded except where such outlays reflect the level of services provided to agriculture.

2/ Value of subsidy on feed distributed under the Emergency Feed Assistance Program is unavailable. Pounds of feed so distributed for FY 1986-88 were (lbs): 1,890,009 for FY 86; 4,678,875 for FY 87; 316,893,702 for FY 88; and 820,944,327 for FY 89.

3/ Derived as the difference between FmHA and commercial interest rates times the value of loans made during the year. Data also include budget outlays for recognized losses on FmHA loan guarantees. Farm Credit System Programs are not included because loans made in 1986-88 were not subsidized. The Farm Credit Amendments Act of 1986 forbids the FCS from under pricing its competition. Also, the FCS interest rates are greater than commercial rates, after adjusting announced rates for the mandatory stock purchase requirement paid by borrowers without compensation.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Product Specific and Total U.S. Aggregate Measures of Support

Description of basic products	Calendar/marketing year AMS bases			
	1986-88 Avg. AMS	Credit allowed	Calculated base col. (2) + (3)	Reductions base 1/
1	2	3	4	5
Barley	316.141	20.191	336.332	336.332
Beef	158.069	217.354	375.423	0
Corn	7,228.845	609.057	7,837.902	7,837.902
Cotton	1,702.709	646.072	2,348.781	2,348.781
Dairy	5,270.255	496.165	5,766.420	5,766.420
Honey	54.643	0.000	54.643	54.643
Mohair	42.546	3.359	45.905	45.905
Oats	21.253	0.000	21.253	0
Peanuts	347.276	0.000	347.276	347.276
Rice	797.671	181.996	979.667	979.667

(Continued)

1/ This column is equal to column 4, minus those individual AMS components that are not subject to reduction because their value is less than 5 percent of the value of production, according to Part IV, Article 6, Draft Text on Agriculture.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Product Specific and Total U.S. Aggregate Measures of Support

Description of basic products	Calendar/marketing year AMS bases			
	1986-88 Avg. AMS	Credit allowed	Calculated base col. (2) + (3)	Reductions base 1/
1	2	3	4	5
Rye	0.514	0.827	1.341	0
Sorghum	759.658	197.127	956.785	956.785
Soybeans	95.958	152.401	248.359	0
Sugar	1,054.348	0.000	1,054.348	1,054.348
Tobacco	37.669	7.760	45.429	0
Wheat	3,377.445	695.230	4,072.675	4,072.675
Wool	78.378	0.000	78.378	78.378
Noncommodity specific AMS	901.476	0.000	901.476	0
Total AMS	22,244.854	3,227.539	25,472.393	23,879.112

1/ This column is equal to column 4, minus those individual AMS components that are not subject to reduction because their value is less than 5 percent of the value of production, according to Part IV, Article 6, Draft Text on Agriculture.

Aggregate Measure of Support – Supporting Table for Barley

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. tons	13,249.226	11,354.306	6,313.877	10,305.803
b. Value	Mil. dol.	989.405	967.008	775.228	910.547
2. Market price support:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
a. Basic deficiency payments 1/	Mil. dol.	213.678	241.681	172.314	209.224
b. 0–50/92 deficiency payments 1/	Mil. dol.	5.790	12.136	20.878	12.935
Subtotal	Mil. dol.	219.468	253.816	193.193	222.159
4. Other non-exempt direct payments					
b. Diversion payments	Mil. dol.	6.342	33.500	21.730	20.524
c. Certificate Premium	Mil. dol.	10.893	7.819	(0.650)	6.021
a. Commodity loan forfeit	Mil. dol.	24.298	(3.051)	(7.929)	4.439
Subtotal	Mil. dol.	41.533	38.268	13.151	30.984
5. Other product-specific support					
a. Storage payments	Mil. dol.	29.603	31.107	16.147	25.619
b. Commod./ loan interest subsidy	Mil. dol.	45.728	42.629	23.779	37.379
c. Fees and levies	Mil. dol.	0.000	0.000	0.000	0.000
Subtotal (a + b – c)	Mil. dol.	75.331	73.736	39.926	62.998
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	336.332	365.820	246.270	316.141

1/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Barley: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/bu.	1.95	1.86	1.80	
b. Findley loan	\$/bu.	1.56	1.49	1.44	
c. Market year average price	\$/bu.	1.61	1.81	2.80	
d. 5-mo. avg. price	\$/bu.	1.54	1.86	2.83	
e. Target price	\$/bu.	2.6	2.6	2.51	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	7.327038	8.111102	6.822146 5/	
b. Program yield 1/	Bu/acre	49.089	48.135	47.359	
c. Reference price (1b, 1c, or 1d) 2/	\$/bu.	1.610	1.810	2.510	1.977
d. Basic payment rate (1e – 2c) 2/	\$/bu.	0.990	0.790	0.000 5/	
e. Estimated payments (2a*2b*2d)	Mil. dol.	356.082	308.435	0.000 5/	
f. Actual basic payments 1/	Mil. dol.	339.371	306.301	0.000 5/	
g. Adjustment required (2f/2e) 3/	Ratio	0.9530691	0.9930805	1.0000000	0.9820499
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.133505	0.279855	0.5026011	
Program yield 1/	Bu/acre	44.1	44.1	46.5	
Projected payment rate 1/	\$/bu.	0.950	1.110	0.760	
0–50/92 payment rate (max 2d, 3c) 4/	\$/bu.	0.990	1.110	0.760	
e. Implied reference price (1e – 3d) 4/	\$/bu.	1.610	1.490	1.750	1.617
f. Estimated payments (3a*3b*3d)	Mil. dol.	5.829	13.699	17.762	
g. Actual 0–50/92 payments 1/	Mil. dol.	5.829	13.699	17.762	
h. Adjustment required (3g/3f) 3/	Ratio	1.0000524	0.9999867	1.0000043	1.0000145
4. Total deficiency payments (2f + 3g)	Mil. dol.	345.200	320.000	17.762	227.654
5. Recalculated payments (1986–88 average reference price):					
a. Target price (1e)	\$/bu.	2.600	2.600	2.510	
b. Average reference price for basic payments (2c)	\$/bu.	1.977	1.977	1.977	
c. Average reference price for 0–50/92 payments (3e)	\$/bu.	1.617	1.617	1.617	
d. Basic payment rate (5a – 5b)	\$/bu.	0.623	0.623	0.533	
e. 0–50/92 payment rate (5a – 5c)	\$/bu.	0.983	0.983	0.893	
f. Eligible production for basic payments (2a*2b)	Mil. bu.	359.679	390.424	323.090	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. bu.	5.888	12.342	23.371	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	213.678	241.681	172.314	209.224
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	5.790	12.136	20.878	12.935
j. Estimated total payments (5h + 5i)	Mil. dol.	219.468	253.816	193.193	222.159
6. Recalculated payments (1986–88 average reference price), metric:					
			MT/bu:		0.0217724
a. Target price (1e)	\$/MT	119.417	119.417	115.283	118.039
b. Average reference price for basic payments (2c)	\$/MT	90.788	90.788	90.788	90.788
c. Average reference price for 0–50/92 payments (3e)	\$/MT	74.253	74.253	74.253	74.253
d. Basic payment rate (6a – 6b)	\$/MT	28.629	28.629	24.496	27.252
e. 0–50/92 payment rate (6a – 6c)	\$/MT	45.164	45.164	41.030	43.786
f. Eligible production for basic payments (2a*2b)	MMT	7.831	8.500	7.034	7.789
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.128	0.269	0.509	0.302
h. Estimated basic payments (6d*6f*2g)	Mil. dol.	213.678	241.681	172.314	209.224
i. Estimated 0–50/92 payments (6e*6g*3h)	Mil. dol.	5.790	12.136	20.878	12.935
j. Estimated total payments (6h + 6i)	Mil. dol.	219.468	253.816	193.193	222.159

1/ Source: ASCS/CAD, or derived from ASCS/CAD data.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the market price or the loan rate, so these latter prices are the reference prices. The basic loan rate or a five-month average price is used unless the Findley loan rate is implemented. With the Findley loan rate option, used for 1986–88, the reference price is the higher of the five-month average price or the basic loan rate, except that if the market year average price is less than the basic loan rate, the reference price is the higher of the market year average price or the Findley loan rate.

3/ This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be implied from the target price and final payment rate.

5/ 1988 payments included ordinary 0/92 payments and advanced payments that did not have to be paid back. The 0/92 payments were calculated from acreages. Under disaster program provisions, advanced payments did not have to be repaid on a portion of yield lost. Such payments are reflected in Supporting Table 4 as payments for natural disasters. For basic deficiency payments in 1988 the reference price is the target price, implying a zero payment rate which was the case.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Sources and comments	
Description of basic products	Measure type
1	2

3

Barley	Basic deficiency payments, 0-50/92 deficiency payments	See accompanying deficiency payment calculation table for barley (Annex table for supporting table 7 for barley). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price. The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices. Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Diversion payment	Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.
	Certificate premium	Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans. The certificate premium subsidy is calculated as the national average percentage market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. The share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms. Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: <u>AgWeek</u>, Daily Local Cash Grain Prices, weekly issues since June 1986.
	Loan forfeit subsidy	The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited. Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u>. Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation</u>, for fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING L
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3

Barley	Storage payment	Annual amount of storage payments from the Farmer-owned Reserve program were calculated from monthly loans outstanding and the monthly payment rate of 2.2083 cents per bushel (1.666 cents per bushel for oats). Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with grain commodity certificates, in which cases the loans are interest free. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u>, quarterly interest rate paid by farmers on non-real estate loans.

AMS NOT SUBJECT TO REDUCTION 1/

Aggregate Measure of Support – Supporting Table for Beef

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. tons	11292.185	10883.952	10879.416	11018.518
b. Value	Mil. dol.	20989.371	24765.784	27219.863	24325.006
2. Market price support: 2/					
a. Beef purchases	Mil. dol.	375.423	98.784	0.000	158.069
Subtotal	Mil. dol.	375.423	98.784	0.000	158.069
3. Price related direct payments:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
5. Other product-specific support					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	375.423	98.784	0.000	158.069

1/ AMS is not subject to reduction because it is less than 5 percent of the value of production (.05* \$24,325.006 million = \$1,216.250 million), based on Part IV, Article 6, L. Text on Agriculture.

2/ There are no reference prices for beef and veal. Purchases were made to compensate producers as a result of the dairy termination program.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measurements of Support: Market Price Support

Description of basic products	Measure type(s)	Sources and comments
1	2	3

Beef

To minimize the effect of the dairy herd buy-out program on red meat prices, the CCC was mandated to purchase 400 million pounds of red meat as part of the dairy program.

Source for cost of beef purchases: Agricultural Marketing Service, U.S. Department of Agriculture, personal communications

Aggregate Measure of Support – Supporting Table for Corn

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. tons	208,944.111	181,143.434	125,194.313	171,760.619
b. Value	Mil. dol.	12,507.263	14,107.705	12,661.362	13,092.110
2. Market price support	Mil. dol.				1,216.250
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
a. Basic deficiency payments 1/	Mil. dol.	4,916.093	4,696.973	4,175.467	4,596.178
b. 0–50/92 deficiency payments 1/	Mil. dol.	44.019	131.784	245.103	140.302
Subtotal	Mil. dol.	4,960.112	4,828.756	4,420.571	4,736.480
4. Other non-exempt direct payments					
a. Diversion payments	Mil. dol.	132.600	1,468.100	566.000	722.233
b. Certificate Premium	Mil. dol.	174.502	166.635	(17.039)	108.033
c. Commodity loan forfeit	Mil. dol.	1,332.949	13.671	(33.489)	437.710
Subtotal	Mil. dol.	1,640.051	1,648.406	515.472	1,267.976
5. Other product-specific support					
a. Storage payments	Mil. dol.	358.589	367.376	246.481	324.149
b. Commodity loan interest subsidy	Mil. dol.	879.150	1,163.876	657.695	900.240
c. Fees and levies	Mil. dol.	0.000	0.000	0.000	0.000
Subtotal (a + b – c)	Mil. dol.	1,237.739	1,531.252	904.176	1,224.389
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	7,837.902	8,008.414	5,840.219	7,228.845

1/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Corn: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	Avg 1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/bu.	2.40	2.28	2.21	
b. Findley loan	\$/bu.	1.92	1.82	1.77	
c. Market year average price	\$/bu.	1.50	1.94	2.54	
d. 5-mo. avg. price	\$/bu.	1.46	1.63	2.57	
e. Target price	\$/bu.	3.03	3.03	2.93	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	55.137163	51.094839	51.975100	
b. Program yield 1/	Bu/acre	105.124	104.376	105.114	
c. Reference price (1b, 1c, or 1d) 2/	\$/bu.	1.920	1.940	2.570	2.143
d. Basic payment rate (1e – 2c) 2/	\$/bu.	1.110	1.090	0.360	
e. Estimated payments (2a*2b*2d)	Mil. dol.	6,433.833	5,813.066	1,966.788	
f. Actual basic payments 1/	Mil. dol.	6,154.357	5,774.098	1,910.807	
g. Adjustment required (2f/2e) 3/	Ratio	0.9565615	0.9932964	0.9715367	0.9737982
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.422479	1.264812	2.5949672	
b. Program yield 1/	Bu/acre	88	88	88	
c. Projected payment rate 1/	\$/bu.	1.030	1.210	1.100	
d. 0–50/92 payment rate (max 2d, 3c) 4/	\$/bu.	1.110	1.210	1.100	
e. Implied reference price (1e – 3d) 4/	\$/bu.	1.920	1.820	1.830	1.857
f. Estimated payments (3a*3b*3d)	Mil. dol.	41.268	134.677	251.193	
g. Actual 0–50/92 payments 1/	Mil. dol.	41.643	135.902	251.193	
h. Adjustment required (3g/3f) 3/	Ratio	1.0090931	1.0090945	1.0000007	1.0060628
4. Total deficiency payments (2f + 3g)	Mil. dol.	6,196.000	5,910.000	2,162.000	4,756.000
5. Recalculated payments (1986–88 avg. reference price):					
a. Target price (1e)	\$/bu.	3.030	3.030	2.930	
b. Average reference price for basic payments (2c)	\$/bu.	2.143	2.143	2.143	
c. Average reference price for 0–50/92 payments (3e)	\$/bu.	1.857	1.857	1.857	
d. Basic payment rate (5a – 5b)	\$/bu.	0.887	0.887	0.787	
e. 0–50/92 payment rate (5a – 5c)	\$/bu.	1.173	1.173	1.073	
f. Eligible production for basic payments (2a*2b)	Mil. bu.	5,796.246	5,333.088	5,463.301	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. bu.	37.178	111.303	228.357	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	4,916.093	4,696.973	4,175.467	4,596.178
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	44.019	131.784	245.103	140.302
j. Estimated total payments (5h + 5i)	Mil. dol.	4,960.112	4,828.756	4,420.571	4,736.480
6. Recalculated payments (1986–88 avg. reference price), metric:					
			MT/bu:		0.0254012
a. Target price (1e)	\$/MT	119.286	119.286	115.349	117.974
b. Average reference price for basic payments (2c)	\$/MT	84.379	84.379	84.379	84.379
c. Average reference price for 0–50/92 payments (3e)	\$/MT	73.094	73.094	73.094	73.094
d. Basic payment rate (6a – 6b)	\$/MT	34.907	34.907	30.970	33.594
e. 0–50/92 payment rate (6a – 6c)	\$/MT	46.192	46.192	42.255	44.880
f. Eligible production for basic payments (2a*2b)	MMT	147.231	135.467	138.774	140.491
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.944	2.827	5.801	3.191
h. Estimated basic payments (6d*6f*2g)	Mil. dol.	4,916.093	4,696.973	4,175.467	4,596.178
i. Estimated 0–50/92 payments (6e*6g*3h)	Mil. dol.	44.019	131.784	245.103	140.302
j. Estimated total payments (6h + 6i)	Mil. dol.	4,960.112	4,828.756	4,420.571	4,736.480

1/ Source: ASCS/CAD, or derived from ASCS/CAD data.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the market price or the loan rate, so these latter prices are the reference prices. The basic loan rate or a five-month average price is used unless the Findley loan rate is implemented. With the Findley loan rate option, used for 1986–88, the reference price is the higher of the five-month average price or the basic loan rate, except that if the market year average price is less than the basic loan rate, the reference price is the higher of the market year average price or the Findley loan rate.

3/ This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be implied from the target price and final payment rate.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments	
		1	2

Corn

Basic deficiency payments, 0-50/92 deficiency payments

See accompanying deficiency payment calculation table for corn (Annex table for supporting table 7 for corn). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price.

The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices.

Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Diversion payment

Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.

Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Certificate premium

Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans.

The certificate premium subsidy is calculated as the national average percent market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. The share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms.

Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: AgWag, Daily Local Cash Grain Prices, weekly issues since June 1986.

Loan forfeit subsidy

The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.

Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, Agricultural Prices.

Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, Report of the Financial Conditions of the Commodity Credit Corporation, for fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3
Corn	Storage payment	Annual amount of storage payments from the Farmer-owned Reserve program were calculated from monthly loans outstanding and the monthly payment rate of 2.2083 cents per bushel (1.666 cents per bushel for oats).
		Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free.
		Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
		Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u> , quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Cotton

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. tons	2,118.698	3,213.590	3,355.460	2,895.916
b. Value	Mil. dol.	2,753.076	5,029.720	4,908.743	4,230.513
Subtotal	Mil. dol.	0.000	0.000		
2. Market price support					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
a. Basic deficiency payments 1/	Mil. dol.	1,038.377	1,118.111	1,018.132	1,058.207
b. 0–50/92 deficiency payments 1/	Mil. dol.	81.184	68.212	45.507	64.968
Subtotal	Mil. dol.	1,119.562	1,186.324	1,063.639	1,123.175
4. Other non-exempt direct payments					
a. Certificate Premium	Mil. dol.	9.490	25.808	(1.670)	11.209
b. Commodity loan forfeit	Mil. dol.	2.366	(1.835)	(0.622)	(0.030)
c. Marketing loans	Mil. dol.	180.376	120.807	105.496	135.560
d. Loan deficiency payments	Mil. dol.	126.860	0.364	42.038	56.421
e. Extra-long staple cotton (ELS) payments	Mil. dol.	2.459	0.000	0.000	0.820
f. Inventory protection payments	Mil. dol.	620.400	0.000	0.000	206.800
g. First handler payments	Mil. dol.	110.689	0.000	0.000	36.896
Subtotal	Mil. dol.	1,052.640	145.144	145.242	447.675
5. Other product-specific support					
a. Storage subsidy	Mil. dol.	88.385	29.102	77.333	64.940
b. Commodity loan interest subsidy	Mil. dol.	89.194	33.559	81.005	67.919
c. Fees and levies	Mil. dol.	1.000	1.000	1.000	1.000
Subtotal (a + b – c)	Mil. dol.	176.579	61.661	157.338	131.859
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	2,348.781	1,393.129	1,366.219	1,702.709

1/ Recalculated using 1986–88 reference price and current:

Annex – Supporting Table for Cotton: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	Avg 1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/lb	0.550	0.523	0.518	
b. Findley loan	\$/lb				
c. Calendar year average price	\$/lb	0.538	0.621	0.565	
d. 5-mo. avg. price	\$/lb	N.A.	N.A.	N.A.	
e. Target price	\$/lb	0.810	0.794	0.759	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	9.731	9.224	10.395	
b. Program yield 1/	lb/acre	587.000	593.000	591.641	
c. Reference price (max 1a,1c)	\$/lb	0.550	0.621	0.565	0.579
d. Basic payment rate (1e – 2c) 2/	\$/lb	0.260	0.173	0.194	
e. Estimated payments (2a*2b*2d)	Mil. dol.	1,485.074	946.265	1,193.096	
f. Actual basic payments 1/	Mil. dol.	1,167.052	898.297	1,095.291	
g. Adjustment required (2f/2e) 3/	Ratio	0.786	0.949	0.918	0.884
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.598	0.534	0.451	
b. Program yield 1/	lb/acre	587.000	593.000	559.400	
c. Projected payment rate 1/	\$/lb	N.A.	N.A.	N.A.	
d. 0–50/92 payment rate (1e–2c) 4/	\$/lb	0.260	0.173	0.194	
e. Implied reference price (2c) 4/	\$/lb	0.550	0.621	0.565	0.579
f. Estimated payments (3a*3b*3d)	Mil. dol.	91.245	54.802	48.956	
g. Actual 0–50/92 payments 1/	Mil. dol.	91.245	54.802	48.956	
h. Adjustment required (3g/3f) 3/	Ratio	1.000	1.000	1.000	1.000
4. Total deficiency payments (2f + 3g)	Mil. dol.	1,258.297	953.099	1,144.247	1,118.548
5. Recalculated payments (1986–88 average reference price):					
a. Target price (1e)	\$/lb	0.810	0.794	0.759	
b. Average reference price for basic payments (2c)	\$/lb	0.579	0.579	0.579	
c. Average reference price for 0–50/92 payments (3e)	\$/lb	0.579	0.579	0.579	
d. Basic payment rate (5a – 5b)	\$/lb	0.231	0.215	0.180	
e. 0–50/92 payment rate (5a – 5c)	\$/lb	0.231	0.215	0.180	
f. Eligible production for basic payments (2a*2b)	Mil. lb	5,711.823	5,469.737	6,149.979	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. lb	350.941	316.775	252.349	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	1,038.377	1,118.111	1,018.132	1,058.207
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	81.184	68.212	45.507	64.968
j. Estimated total payments (5h + 5i)	Mil. dol.	1,119.562	1,186.324	1,063.639	1,123.175

See notes at end of table

Continued --

Annex – Supporting Table for Cotton: Deficiency Payment Calculation for GATT AMS. (continued)

Item	Units	1986	1987	1988	Avg 1986–88
6. Recalculated payments (1986–88 average reference price), metric:				MT/lb:	0.0004535925
a. Target price (1e)	\$/MT	1,785.744	1,750.470	1,673.308	1,736.507
b. Average reference price for basic payments (2c)	\$/MT	1,275.741	1,275.741	1,275.741	1,275.741
c. Average reference price for 0–50/92 payments (3e)	\$/MT	1,275.741	1,275.741	1,275.741	1,275.741
d. Basic payment rate (5a – 5b)	\$/MT	510.003	474.729	397.567	
e. 0–50/92 payment rate (5a – 5c)	\$/MT	510.003	474.729	397.567	
f. Eligible production for basic payments (2a*2b)	MMT	2.591	2.481	2.790	2.620
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.159	0.144	0.114	0.139
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	1,038.377	1,118.111	1,018.132	1,058.207
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	81.184	68.212	45.507	64.968
j. Estimated total payments (5h + 5i)	Mil. dol.	1,119.562	1,186.324	1,063.639	1,123.175

N.A. = Not applicable.

1/ Source: ASCS/CAD, or derived from ASCS/CAD data for upland cotton only.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the minimum of the calendar year average price or the loan rate, so these latter prices are the reference prices.

3/ This method provides an estimate of actual payments. The adjustment needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ Reference prices and payment rates for 0–50/92 are the same as the reference prices and payment rates for basic deficiency payments.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Cotton	Basic deficiency payments, 0-50/92 deficiency payments	See accompanying deficiency payment calculation table for cotton (Annex table for supporting table 7 for cotton). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price. The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices. Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
Diversion payment		Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.
Certificate premium		Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans. The certificate premium subsidy is calculated as the national average percent to market premium above the face value of the certificate, multiplied by the total value of payment certificates not redeemed for cash. A share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms. Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: <u>AgWeek</u>, Daily Local Cash Grain Prices, weekly issues since June 1986.
Loan forfeit subsidy		The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited. Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u>. Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal Years 1987, 1988, and 1989</u> (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3
Cotton	Marketing loans	Under marketing loan provisions, producers can settle CCC loans at the special, lower repayment rate per bushel instead of at the original loan rate per bushel. The difference between the loan rate and the announced repayment rate represents a type of direct payment substitute for market price support. Official budget outlays are used to measure support. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Loan deficiency payment	This measure is related to the marketing loans concept. Producers could receive the marketing loan payment amount without first taking out the loan and repaying it. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Extra-long staple cotton (ELS) payments	Deficiency payments for ELS were included using actual budget outlays. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Inventory protection payment	Actual outlays in terms of certificates were used to measure these payments. Inventory protection payments were paid to processors when program changes resulted in decreased prices, thereby stabilizing the marketing process for producers during the policy transition period. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	First handler payments	In order to assure cotton would be competitive on the world market, marketing certificates were issued to first handlers of cotton based on the difference between the marketing loan repayment rate and the prevailing world price. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Aggregate Measure of Support – Supporting Table for Dairy

Item	Units	1986 1/	1987	1988	1986–88 Avg
1. Production:					
a. Metric	Mil. tons	64.18333846	65.6801937	65.5894752	65.151002455
b. Value	Mil. dol.	18,025.140	18,014.069	17,920.834	17,986.681
2. Market price support:					
a. Price support/quota	Mil. Dol.	6,155.836	5,039.640	5,032.679	5,409.385
Subtotal	Mil. Dol.	6,155.836	5,039.640	5,032.679	5,409.385
3. Price related direct payments					
Subtotal		0	0	0	0
4. Other non-exempt direct payments					
a. Dairy indemnities	Mil. Dol.	8.234	0.545	-0.095	2.895
b. State Subsidy	Mil. Dol.	0	3.786	3.54	2.442
Subtotal	Mil. Dol.	8.234	4.331	3.445	5.337
5. Other product specific support:					
a. Fees and Levies					
Dairy assessments 2/	Mil. Dol.	397.650	27.075	8.675	144.467
Subtotal (-a)	Mil. Dol.	-397.65	-27.075	-8.675	-144.467
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. Dol.	5,766.420	5,016.896	5,027.449	5,270.255
7. Prices and market price support calculation:					
a. Producer Price, all milk	Dol./ton	278.2232964	266.5387998	287.2622466	277.3414476
b. Support Price: manufacturing grade nat'l. avg. milkfat test	Dol./ton	255.736152	236.5559406	236.5559406	242.9493444
c. International milk price 3/	Dol./ton	98.6069	156.439	224.432	159.82596667
d. Price gap (b - 159.826) 4/	Dol./ton	95.91018533	76.72997393	76.72997393	83.123377733
e. Market price support (1a*7d)	Mil. dol.	6,155.836	5,039.640	5,032.679	5,409.385

1/ Marketing year Oct.1 – Sept.30

2/ Does not include promotion deductions.

3/ Estimated CIF price derived from FAS/USDA reported prices for butter and nonfat dry milk, FOB Northern European and other world ports (World Dairy Situation).

4/ Calculated using 1986–88 reference price and current administered price.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measurements of Support: Market Price Support

Description of basic products	Measure type(s)	Sources and comments
1	2	3
Dairy	Price support/quota	Support calculated as difference between the average support price during the fiscal/marketing year and average 1986/88 reference price. The reference price is derived from international prices for butter and nonfat dry milk, f.o.b. Northern Europe and other world ports, as published in Foreign Agriculture Service, U.S. Department of Agriculture, World Dairy Situation (November, 1991). The support price for 1986 is the support level at the beginning of the 1986 marketing year. Eligible production is total production. Fiscal Year/marketing year data are used.

Other sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Economic Research Service, U.S. Department of Agriculture, Dairy Situation and Outlook Report, Table 9 (October, 1990).

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type ¶	Sources and comments
1	2	3
Dairy	Dairy indemnities	Producers are compensated for diverting contaminated milk from the market. Fiscal year/marketing year data were used, based on budget outlays.
	State subsidy	Source: USDA budget. Source: Vermont Department of Agriculture. A one-time subsidy program in Vermont provided payments to dairy producers for price support.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3

Dairy Producers are assessed a fee based on volume of marketings to partially offset the cost of the dairy price support program. Fiscal year data are used.

Value of assessments calculated by multiplying quarterly assessment rates by the volume of milk marketings and adding quarterly estimates to produce a fiscal year estimate.

The advertising assessment of 15 cents per hundredweight of milk sold was not subtracted from the AMS since this is for product promotion.

This assessment was mandated by the Dairy and Tobacco Adjustment Act of 1983.

Data sources are the U.S.D.A. Agricultural Stabilization and Conservation Service, personal communication and the U.S.D.A. Economic Research Service, Dairy Situation and Outlook Report, various issues.

Aggregate Measure of Support – Supporting Table for Honey

Item	Units	1986	1987	1988	Avg 1986–88
1. Production:					
a. Level (metric)	Thou. tons	90.89993659	102.8747785	97.114	96.96290504
b. Value	Mil. dol.	102.8	114.1	107	107.96666667
2. Market price support					
Subtotal	Mil. dol.	0	0	0	0
3. Price related direct payments:					
Subtotal	Mil. dol.	0	0	0	0
4. Other non-exempt direct payments:					
a. Commodity loan forfeit	Mil. dol.	9.897	7.189	6.25	7.7786666667
b. Marketing Loans	Mil. dol.	29.005	39.056	35.929	34.6633333333
Subtotal	Mil. dol.	38.902	46.245	42.179	42.442
5. Other product-specific support:					
a. Commodity loan interest subsidy	Mil. dol.	9.815	12.848	13.939	12.2006666667
Subtotal		9.815	12.848	13.939	12.2006666667
6. Aggregate measure of support (2+3+4+5)	Mil. dol.	48.717	59.093	56.118	54.6426666667
7. Prices:					
a. Avg. Market Price	Dol./ton	1,130.971	1,108.925	1,102.311	1,114.069
b. Loan Rate, National Avg. 1/	Dol./ton	1,410.958	1,344.819	1,302.932	1,352.903

1/ Loan rate in 1987 was reduced from \$1,388.912 to \$1,344.819 due to budget reconciliation.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Pay. mts

Description of basic products	Measure type	Sources and comments
1	2	3
Honey	Marketing loans	Under marketing loan provisions, producers can settle CCC loans at the special, lower repayment rate per bushel instead of at the original loan rate per bushel. The difference between the loan rate and the announced repayment rate represents a type of direct payment substitute for market price support. Official budget outlays are used to measure support.
		Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Loan forfeit subsidy	The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.
		Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u> .
		Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988)</u> , and personal communications.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3
Honey	Commodity loan interest subsidy	Interest subsidies on CCC honey loans were calculated from monthly loan activity data, using annual average market CCC interest rate differentials and average loan values for the fiscal year related to the marketing year. For honey, the subsidy was calculated as the 12 month average of value of loans outstanding, times the interest rate differentials, plus the value of the crop forfeited during the fiscal year, times 75 percent of the CCC average interest rate for the year, plus, 25 percent of the value of the crop repaid with marketing loans times the CCC average interest rate for the year. A 75 percent factor is used because the loans are 9 month loans. A 25 percent factor is used because these loans are typically paid in 4 months. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Bank</u>, quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Mohair

Item	Units	1986	1987	1988	Avg 1986–88
1. Production (metric) 1/					
a. Level (metric)	Thous. tons	7.257476675	7.348195134	7.847146655	7.4842728212
b. Value	Mil. dol.	40.16	42.606	32.697	38.487666667
2. Market price support					
sub-total	Mil. dol.	0	0	0	0
3. Price related direct payments:					
a. Support payments 2/	Mil. dol.	45.90478237	41.15275	40.58140952	42.546313964
sub-total	Mil. dol.	45.90478237	41.15275	40.58140952	42.546313964
4. Other non-exempt direct payments:					
sub-total	Mil. dol.	0	0	0	0
5. Other product specific support:					
a. Fees and levies	Mil. dol.	0	0	0	0
sub-total	Mil. dol.	0	0	0	0
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5) 2/	Mil. dol.	45.90478237	41.15275	40.58140952	42.546313964

1/ Source: NASS, actual production, 1986 16.0 mil. lbs., 1987 16.2 mil. lbs., 1988 17.3 mil. lbs.
Value is NASS production times average market price.

2/ AMS is based on 1986–88 average reference price and ASCS marketings (see worksheet).

3/ Support rate and producer price from ASCS, Commodity Fact Sheet, 1990 Summary.

Annex – Supporting Table for Monair: Support Payment Calculation.

Item	Units	1986	1987	1988	1986–88
1. Production for payments:					
a. Production 1/	Mil. lbs.	17.957	15.801	17.322	17.027
b. Value of Production (1a*2b) 2/	Mil. dol.	45.07207	41.55663	32.73858	39.789
2. Prices					
a. Support price	\$/lb.	4.93	4.95	4.69	4.857
b. Average market price (cal. yr.)	\$/lb.	2.51	2.63	1.89	2.343
3. Support payment rate:					
a. Reference price 3/	\$/lb.	2.510	2.630	1.890	2.343
b. Basic pay. rate ((2a – 3a)/3a)*100 4/	Percent	96.4%	88.2%	148.1%	107.3%
4. Support payments:					
a. Calculated payments (1b*3b) 5/	Mil. dol.	43.456	36.658	48.502	42.872
b. Actual payments	Mil. dol.	42.947	36.627	48.421	42.665
c. Adjusted rate implied (4b/4c)	Ratio	0.9882884	0.9991456	0.9983382	0.9952574
5. 1986–88 ref. price payments:					
a. Ref. price implied (2a – 4b/1a)	\$/lb.	2.510	2.630	1.890	2.343
b. Fixed avg. 1986–88 ref. price (5a)	\$/lb.	2.343	2.343	2.343	2.343
c. Recalculated payments (1a*(2a – 5b)*4c)	Mil. Dol.	45.905	41.153	40.581	42.546
6. 1986–88 ref. price payments (Metric):					
a. Ref. price implied (2a – 4b/1a)	\$/MT	5,533.604	5,798.158	4,166.737	5,166.167
b. Fixed avg. 1986–88 ref. price (5a)	\$/MT	5,166.167	5,166.167	5,166.167	5,166.167
c. Recalculated payments (1a*(2a – 5b)*4c)	Mil. Dol.	45.905	41.153	40.581	42.546
d. Production (1a) 1/	MMT	0.008	0.007	0.008	0.008
e. Support price (2a)	\$/MT	10,868.791	10,912.884	10,339.682	10,707.119

1/ Source: ASCS, based on marketings.

2/ Calculated as the product of marketings and the average market price.

3/ Reference price is the market price.

4/ The payment rate is calculated as the difference between the support rate and the average market price, divided by the average market price, converted to a percent.

5/ Calculated payments equals the payment rate times value of production marketed.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Mohair **Support payments** See accompanying support payment calculation table for mohair (Annex table for supporting table 7 for mohair). Administered price is the support level for mohair. The external reference price is the 1986-88 average market price. Eligible production is the current production based on marketings. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices.

Source: The U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, personal communication.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3

Mohair

Fees and levies

The mohair promotion program fee was not deducted from the AMS in column 5, supporting table 8, because these deductions support the mohair advertising and promotion activities of the Mohair Council of America, activities not related to operating price and income support programs. Such deductions were approved in a referendum held in 1986. The adjustment to support required by the Omnibus Budget Reconciliation Act of 1987 is already reflected in the level of payments received.

Source: The U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, personal communication.

AMS NOT SUBJECT TO REDUCTION 1/

Aggregate Measure of Support – Supporting Table for Oats

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. Tons	5,588.202	5,424.429	3,158.455	4,723.695
b. Value	Mil. dol.	469.061	605.599	532.621	535.760
2. Market price support:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
a. Basic deficiency payments 2/	Mil. dol.	15.908	17.202	11.195	14.768
b. 0–50/92 deficiency payments 2/	Mil. dol.	1.129	1.532	3.492	2.051
Subtotal	Mil. dol.	17.037	18.735	14.687	16.819
4. Other non-exempt direct payments					
a. Diversion payments	Mil. dol.	1.545	7.510	0.000	3.018
b. Certificate Premium	Mil. dol.	0.955	0.590	(0.038)	0.502
c. Commodity loan forfeit	Mil. dol.	0.070	(0.163)	(0.066)	(0.050)
Subtotal	Mil. dol.	2.578	7.937	(0.104)	3.470
5. Other product-specific support					
a. Storage payments	Mil. dol.	0.661	0.621	0.177	0.486
b. Commodity loan interest subsidy	Mil. dol.	0.875	0.386	0.171	0.477
c. Fees and levies	Mil. dol.	0.000	0.000	0.000	0.000
Subtotal (a + b – c)	Mil. dol.	1.536	1.007	0.348	0.964
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	21.151	27.679	14.931	21.253

1/ AMS is not subject to reduction because it is less than 5 percent of the value of production ($0.05 \times \$535.760$ million = \$26.788 million), based on Part IV, Article 6, L. Text on Agriculture.

2/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Oats: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/bu.	1.23	1.17	1.13	
b. Findley loan	\$/bu.	2.00	0.94	0.90	
c. Market year average price	\$/bu.	1.21	1.56	2.61	
d. 5-mo. avg. price	\$/bu.	0.95	1.40	2.71	
e. Target price	\$/bu.	1.6	1.6	1.55	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	1.521247	1.653418	1.445646 5/	
b. Program yield 1/	Bu/acre	50.280	50.324	47.412	
c. Reference price (1b, 1c, or 1d) 2/	\$/bu.	1.210	1.400	1.550	1.387
d. Basic payment rate (1e – 2c) 2/	\$/bu.	0.390	0.200	0.000 5/	
e. Estimated payments (2a*2b*2d)	Mil. dol.	29.831	16.641	0.000 5/	
f. Actual basic payments 1/	Mil. dol.	29.081	16.127	0.000 5/	
g. Adjustment required (2f/2e) 3/	Ratio	0.9748720	0.9690912	1.0000000	0.9613211
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.062695	0.078812	0.1984431	
b. Program yield 1/	Bu/acre	43.2	43.2	44	
c. Projected payment rate 1/	\$/bu.	0.450	0.550	0.300	
d. 0–50/92 payment rate (max 2d, 3c) 4/	\$/bu.	0.450	0.550	0.300	
e. Implied reference price (1e – 3d) 4/	\$/bu.	1.150	1.050	1.250	1.150
f. Estimated payments (3a*3b*3d)	Mil. dol.	1.219	1.873	2.619	
g. Actual 0–50/92 payments 1/	Mil. dol.	1.129	1.873	2.619	
h. Adjustment required (3g/3f) 3/	Ratio	0.9263280	1.0002280	0.9998286	0.9754615
i. Total deficiency payments (2f + 3g)	Mil. dol.	30.210	18.000	2.619	16.943
i. Recalculated payments (1986–88 average reference price):					
a. Target price (1e)	\$/bu.	1.600	1.600	1.550	
b. Average reference price for basic payments (2c)	\$/bu.	1.387	1.387	1.387	
c. Average reference price for 0–50/92 payments (3e)	\$/bu.	1.150	1.150	1.150	
d. Basic payment rate (5a – 5b)	\$/bu.	0.213	0.213	0.163	
e. 0–50/92 payment rate (5a – 5c)	\$/bu.	0.450	0.450	0.400	
f. Eligible production for basic payments (2a*2b)	Mil. bu.	76.489	83.207	68.541	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. bu.	2.708	3.405	8.731	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	15.908	17.202	11.195	14.768
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	1.129	1.532	3.492	2.051
j. Estimated total payments (5h + 5i)	Mil. dol.	17.037	18.735	14.687	16.819
Recalculated payments (1986–88 average reference price), metric:					
				MT/bu:	0.0145150
a. Target price (1e)	\$/MT	110.231	110.231	106.786	109.083
b. Average reference price for basic payments (2c)	\$/MT	95.534	95.534	95.534	95.534
c. Average reference price for 0–50/92 payments (3e)	\$/MT	79.229	79.229	79.229	79.229
d. Basic payment rate (6a – 6b)	\$/MT	14.697	14.697	11.253	13.549
e. 0–50/92 payment rate (6a – 6c)	\$/MT	31.002	31.002	27.558	29.854
f. Eligible production for basic payments (2a*2b)	MMT	1.110	1.208	0.995	1.104
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.039	0.049	0.127	0.072
h. Estimated basic payments (6d*6f*2g)	Mil. dol.	15.908	17.202	11.195	14.768
i. Estimated 0–50/92 payments (6e*6g*3h)	Mil. dol.	1.129	1.532	3.492	2.051
j. Estimated total payments (6h + 6i)	Mil. dol.	17.037	18.735	14.687	16.819

1/ Source: ASCS/CAD, or derived from ASCS/CAD data.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the market price or the loan rate, so these latter prices are the reference prices. The basic loan rate or a five-month average price is used unless the Findley loan rate is implemented. With the Findley loan rate option, used for 1986–88, the reference price is the higher of the five-month average price or the basic loan rate, except that if the market year average price is less than the basic loan rate, the reference price is the higher of the market year average price or the Findley loan rate.

3/ This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be implied from the target price and final payment rate.

5/ 1988 payments included ordinary 0/92 payments and advanced payments that did not have to be paid back. The 0/92 payments were calculated from acreages. Under disaster program provisions, advanced payments did not have to be repaid on a portion of yield lost. Such payments are reflected in Supporting Table 4 as payments for natural disasters. For basic deficiency payments in 1988 the reference price is the target price, implying a zero payment rate which was the case.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3
Oats	Basic deficiency payments, 0-50/92 deficiency payments	See accompanying deficiency payment calculation table for oats (Annex table for supporting table 7 for oats). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price. The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices. Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Diversion payment	Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.
	Certificate premium	Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans. The certificate premium subsidy is calculated as the national average percent of market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. The share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms. Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: <u>AgWeek</u>, Daily Local Cash Grain Prices, weekly issues since June 1986.
	Loan forfeit subsidy	The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited. Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u>. Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation</u>, for fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3

Oats	Storage payment	Annual amount of storage payments from the Farmer-owned Reserve program were calculated from monthly loans outstanding and the monthly payment rate of 2.2083 cents per bushel (1.666 cents per bushel for oats). Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market-CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u> , quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Peanuts

Item	Units	1986	1987	1988	Avg 1986–88
1. Production: 1/ a. Level (metric)	Thou. tons	1,676.970	1,640.190	1,805.710	1,707.623
b. Value	Mil. dol.	1,073.279	1,021.870	1,115.202	1,070.117
c. Eligible Production	thou. tons	1,301.008	1,349.802	1,366.253	1,339.021
2. Market price support: a. Price support/quota 2/ Subtotal	Mil. dol. Mil. dol.	333.563 333.563	346.067 346.067	362.029 362.029	347.220 347.220
3. Price related direct payments: Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments: a. Commodity loan forfeit Subtotal	Mil. dol. Mil. dol.	(0.004) (0.004)	0.015 0.015	(0.012) (0.012)	(0.000) (0.000)
5. Other product-specific support: a. Commodity loan interest subsidy Subtotal	Mil. dol. Mil. dol.	0.027 0.027	0.040 0.040	0.103 0.103	0.057 0.057
6. Aggregate Measure of Support (2+3+4+5)	Mil. dol.	333.586	346.122	362.120	347.276

1/ Eligible production is marketing quota plus additional peanuts supported through the buyback system.

2/ Recalculated using 1986–88 reference price based on U.S. cif in Rotterdam.

Annex – Supporting Table for Peanuts: Market Price Support Calculation.

Item	Units	1986	1987	1988	1986-88
1. Average price in Rotterdam 1/	\$/ton	955.000	948.000	827.000	910.000
2. Transport cost 2/	\$/ton	64.000	64.000	64.000	64.000
3. Cost of shelling/culling/etc. 3/	\$/ton	220.000	220.000	220.000	220.000
4. Row 1 -2-3	\$/ton	671.000	664.000	543.000	626.000
5. Adjust for loss from culling at 12% and of shelling at 25%. 4/ (Row 4* (.88*.75)) = (row4*.66):					
a. Price in the shell (metric)	\$/ton	442.860	438.240	358.380	413.160
b. Price in the shell (U.S.) 6/	c/lb.	20.088	19.878	16.256	18.741
6. Support price: 5/					
a. U.S. price	c/lb.	30.370	30.370	30.760	30.500
b. Metric	\$/ton	669.544	669.544	678.142	672.410
7. Price gap:					
a. U.S. units (6a - 5b)	c/lb.	10.282	10.492	14.504	11.759
b. Metric (6b - 5a)	\$/ton	226.684	231.304	319.762	259.250
8. Marketings eligible for support 5/					
a. Quota	Mil. lbs	2,711.000	2,711.000	2,804.400	2,742.133
b. Buybacks	Mil. lbs	157.282	264.804	207.642	209.909
c. Total	Mil. lbs	2,868.282	2,975.804	3,012.042	2,952.043
d. Total (metric)	Mil. tons	1.301	1.350	1.366	1.339
9. Market price support:					
a. U.S. units (7a*8c)	Mil. dol.	294.923	312.214	436.871	348.003
b. Metric (7b*8d)	Mil. dol.	294.923	312.214	436.871	348.003
10. Price gap based on 1986-88 reference price:					
a. U.S. (6a - 18.74 cents) 6/	c/lb.	11.629	11.629	12.019	11.759
b. Metric (6b - \$413.146)	\$/ton	256.384	256.384	264.982	259.250
11. Market price support based on 1985-88 ref. price:					
a. U.S. units (10a*8c)	Mil. dol.	333.563	346.067	362.029	347.220
b. Metric (10b*8d)	Mil. dol.	333.563	346.067	362.029	347.220

1/ Average of monthly prices of shelled U.S. peanuts at Rotterdam.
Data reported by USDA/FAS and was originally obtained from The Public Ledger.
These data differ slightly from those reported in USITC Publication 2276,
(April 1990), pp. 4-29, 4-30.

2/ The transport cost from the U.S. to Rotterdam.

3/ USITC, pp. 4-31.

4/ USITC, pp. 4-31. A 14 percent culling loss was also considered, but not used.

5/ The support price is used as the domestic price as there are effective import barriers (quotas and tariffs) that result in a two price system for peanuts, with the quota peanuts support as the internal guaranteed price. The quantity eligible for the internal price support is the internal marketing quota plus additional peanuts receiving price support through the buyback system. Over quota peanuts ("additional") which don't enter the buyback system, are sold at world market prices. Market price support applies only to the quota peanuts and additional sold through the buyback system.

6/ Fixed reference price is based on US cif in Rotterdam.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA/

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measurements of Support: Market Price Support

Description of basic products	Measure type(s)	Sources and comments
1	* 2	3
Peanuts	Price support/quota	See market price support calculation in the accompanying annex table to supporting table 6 for peanuts.

Price support is calculated on a crop year basis (August through July) as the difference between the internal quota peanuts support level (loan rates) and the 1986-88 average reference price. The reference price is derived from the average of monthly prices of shelled U.S. peanuts at Rotterdam, after making adjustments for transportation, costs of shelling, and culling losses. The eligible production is the internal marketing quota plus additional peanuts receiving price support through buy backs.

Sources: Production and loan rates are in U.S. Department of Agriculture, Economic Research Service, Oil Crops Situation and Outlook Report, Table 24, (January 1991).

Reference price data are from the U.S. Department of Agriculture, Foreign Agriculture Service, originally taken from The Public Ledger.

Other sources: The U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, personal communication.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Peanuts

Loan forfeit subsidy

The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.

Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, Agricultural Prices.

Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications.

Page 44

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3

Peanuts

Commodity loan interest subsidy

Interest subsidies on CCC peanut loans were calculated from monthly loan activity data, using annual average market CCC interest rate differentials and average loan values for the fiscal year related to the marketing year. For peanuts, the subsidy was calculated as the 12 month average of value of loans outstanding, times the interest rate differentials, plus the value of the crop forfeited during the fiscal year, times the CCC average interest rate for the year.

Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Source for commercial market rates of interest: Federal Reserve Bank, Agricultural Finance Data Book, quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Rice

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric, milled equivalent)	Thou. tons	4,306.8368	4,109.2077	5,185.7577	4,533.9341
b. Value	Mil. dol.	495.5050	971.1670	1,091.8170	852.8297
2. Market price support					
Subtotal	Mil. dol.	0.0000	0.0000	0.0000	0.0000
3. Price related direct payments:					
a. Basic deficiency payments 1/	Mil. dol.	488.1971	488.8653	520.9171	499.3265
b. 0–50/92 deficiency payments 1/	Mil. dol.	31.8693	42.3712	18.9221	31.0542
Subtotal	Mil. dol.	520.0664	531.2365	539.8392	530.3807
4. Other non-exempt direct payments					
a. Certificate Premium	Mil. dol.	3.5720	16.0230	(0.3870)	6.4027
b. Commodity loan forfeit	Mil. dol.	9.7000	(0.2790)	0.0520	3.1577
c. Marketing loans	Mil. dol.	388.0000	199.8000	62.3000	216.7000
Subtotal	Mil. dol.	401.2720	215.5440	61.9650	226.2603
5. Other product-specific support					
a. Commodity loan interest subsidy	Mil. dol.	58.3290	28.5480	36.2130	41.0300
Subtotal	Mil. dol.	58.3290	28.5480	36.2130	41.0300
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	979.6574	775.3285	638.0172	797.6710

1/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Rice: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/cwt	7.2000	6.8400	6.6300	
b. Findley loan	\$/cwt				
c. Marketing year average price	\$/cwt	3.7500	7.2700	6.8300	
d. 5-mo. avg. price	\$/cwt	3.8700	5.7100	6.8400	
e. Target price	\$/cwt	11.9000	11.6600	11.1500	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	2.3643	2.3363	2.7572	
b. Program yield 1/	cwt/acre	47.1300	46.8000	48.7376	
c. Reference price (max 1a,1d) 2/	\$/cwt	7.2000	6.8400	6.8400	6.9600
d. Basic payment rate (1e – 2c) 2/	\$/cwt	4.7000	4.8200	4.3100	
e. Estimated payments (2a*2b*2d)	Mil. dol.	523.7293	527.0150	579.1700	
f. Actual basic payments 1/	Mil. dol.	464.4790	501.3470	535.8360	
g. Adjustment required (2f/2e) 3/	Ratio	0.8869	0.9513	0.9252	0.9211
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.1369	0.1926	0.1015	
b. Program yield 1/	cwt/acre	47.1300	46.8000	44.4970	
c. Projected payment rate 1/	\$/cwt	N.A.	N.A.	N.A.	
d. 0–50/92 payment rate (2d) 4/	\$/cwt	4.7000	4.8200	4.3100	
e. Implied reference price (1e – 3d) 4/	\$/cwt	7.2000	6.8400	6.8400	6.9600
f. Estimated payments (3a*3b*3d)	Mil. dol.	30.3209	43.4532	19.4641	
g. Actual 0–50/92 payments 1/	Mil. dol.	30.3210	43.4530	19.4640	
h. Adjustment required (3g/3f) 3/	Ratio	1.0000	1.0000	1.0000	1.0000
4. Total deficiency payments (2f + 3g)	Mil. dol.	494.8000	544.8000	555.3000	531.6333
5. Recalculated payments (1986–88 average reference price):					
a. Target price (1e)	\$/cwt	11.9000	11.6600	11.1500	
b. Average reference price for basic payments (2c)	\$/cwt	6.9600	6.9600	6.9600	
c. Average reference price for 0–50/92 payments (3e)	\$/cwt	6.9600	6.9600	6.9600	
d. Basic payment rate (5a – 5b)	\$/cwt	4.9400	4.7000	4.1900	
e. 0–50/92 payment rate (5a – 5c)	\$/cwt	4.9400	4.7000	4.1900	
f. Eligible production for basic payments (2a*2b)	Mil. cwt	111.4318	109.3392	134.3782	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. cwt	6.4512	9.0152	4.5160	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	488.1971	488.8653	520.9171	499.3265
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	31.8693	42.3712	18.9221	31.0542
j. Estimated total payments (5h + 5i)	Mil. dol.	520.0664	531.2365	539.8392	530.3807

See notes at end of table.

Continued.

Annex – Supporting Table for Rice: Deficiency Payment Calculation for GATT AMS. (continued)

Item	Units	1986	1987	1988	1986–88
6. Recalculated payments (1986–88 average reference price), metric:					
				MT/cwt	0.0454
a. Target price (1e)	\$/MT	262.3500	257.0589	245.8154	255.0748
b. Average reference price for basic payments (2c)	\$/MT	153.4417	153.4417	153.4417	153.4417
c. Average reference price for 0–50/92 payments (3e)	\$/MT	153.4417	153.4417	153.4417	153.4417
d. Basic payment rate (5a – 5b)	\$/MT	108.9083	103.6172	92.3737	
e. 0–50/92 payment rate (5a – 5c)	\$/MT	108.9083	103.6172	92.3737	
f. Eligible production for basic payments (2a*2b)	MMT	5.0545	4.9595	6.0953	5.3698
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.2926	0.4089	0.2048	0.3021
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	488.1971	488.8653	520.9171	499.3265
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	31.8693	42.3712	18.9221	31.0542
j. Estimated total payments (5h + 5i)	Mil. dol.	520.0664	531.2365	539.8392	530.3807

N.A. = Not applicable.

1/ Source: ASCS/CAD, or derived from ASCS/CAD data.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the five-month average market price or the loan rate, so one of these prices would be considered the reference price.

3/ This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be derived from the target price and final payment rate.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Rice	Basic deficiency payments, 0-50/92 deficiency payments	See accompanying deficiency payment calculation table for rice. (Annex table to supporting table 7 for rice.) Calculated the same as for other grains with the exception that the reference price for actual deficiency payments is the same for the basic payments and the 0-50/92 payments. There are no projected rates for the 0-50/92 program as in the case for other grain.
		The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices.
	Diversion payment	Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.
	Certificate premium	Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country, or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans.
		The certificate premium subsidy is calculated as the national average percentage market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. The share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms.
		Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: <u>AgWeek</u> , Daily Local Cash Grain Prices, weekly issues since June 1986.
	Loan forfeit subsidy	The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.
		Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u> .
		Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989</u> (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3
Rice	Marketing loans	Under marketing loan provisions, producers can settle CCC loans at the special, lower repayment rate per bushel instead of at the original loan rate per bushel. The difference between the loan rate and the announced repayment rate represents a type of direct payment substitute for market price support. Official budget outlays are used to measure support. Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3
Rice	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market-CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free.
		Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
		Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u> , quarterly interest rate paid by farmers on nonreal estate loans.

AMS NOT SUBJECT TO REDUCTION 1/

Aggregate Measure of Support – Supporting Table for Rye

Item	Units	1986	1987	1988	Avg 1986–88
1. Production:					
a. Level	Thous. tons	495.880	495.980	373.120	454.993
b. Value	Mil. dol.	28.302	31.641	37.006	32.316
2. Market price support:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments:					
a. Commodity loan forfeit	Mil. dol.	0.755	-0.129	-0.170	0.152
Subtotal	Mil. dol.	0.755	-0.129	-0.170	0.152
5. Other product-specific support:					
a. Commodity loan interest					
subsidy	Mil. dol.	0.586	0.451	0.049	0.362
Subtotal	Mil. dol.	0.586	0.451	0.049	0.362
6. Aggregate measure of support (2+3+4+5)	Mil. dol.	1.341	0.322	-0.121	0.514
5. Prices:					
a. Producer Price	Dol./ton	58.659	64.171	99.209	74.013
b. Support Price	Dol./ton	64.171	61.021	59.053	61.415

1/ AMS is not subject to reduction because it is less than 5 percent of the value of production ($0.05 \times \$32.316 \text{ mil.} = \$1.6158 \text{ mil.}$), based on Part IV, Article 6, L. Text on Agriculture.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Rye Loan forfeit subsidy The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC, by fiscal year, and market year average price, multiplied by the quantity of the crop that was forfeited.

Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, Agricultural Prices.

Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3

Rye Commodity loan interest subsidy

Interest subsidies on CCC rye loans were calculated from monthly loan activity data, using annual average market-CCC interest rate differentials and average loan values for the fiscal year related to the marketing year. For rye, the subsidy was calculated as the 12-month average of value of loans outstanding, times the interest rate differentials, plus the value of the crop forfeited during the fiscal year, times the CCC average interest rate for the year.

Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Source for commercial market rates of interest: Federal Reserve Bank, Agricultural Finance Data Book, quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Sorghum

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric)	Thou. Tons	23,848.380	18,563.411	14,648.505	19,020.099
b. Value	Mil. dol.	1,323.441	1,179.444	1,337.424	1,280.103
2. Market price support					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
a. Basic deficiency payments 1/	Mil. dol.	472.444	450.432	363.437	428.771
b. 0–50/92 deficiency payments 1/	Mil. dol.	17.302	21.616	52.257	30.392
Subtotal	Mil. dol.	489.746	472.048	415.694	459.163
4. Other non-exempt direct payments					
a. Diversion payments	Mil. dol.	13.272	132.700	59.401	68.458
b. Certificate Premium	Mil. dol.	15.317	15.968	(1.823)	9.821
c. Commodity loan forfeit	Mil. dol.	284.405	67.735	8.266	120.135
Subtotal	Mil. dol.	312.994	216.403	65.844	198.414
5. Other product-specific support					
a. Storage payments	Mil. dol.	24.991	21.666	12.489	19.715
b. Commodity loan interest subsidy	Mil. dol.	129.054	76.744	41.301	82.366
c. Fees and levies	Mil. dol.	0.000	0.000	0.000	0.000
Subtotal (a + b – c)	Mil. dol.	154.045	98.410	53.790	102.082
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	956.785	786.861	535.328	759.658

1/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Sorghum: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	1986–88
I. Loan rates and prices: 1/					
a. Basic loan	\$/bu.	2.28	2.17	2.10	
b. Findley loan	\$/bu.	1.82	1.74	1.65	
c. Market year average price	\$/bu.	1.37	1.70	2.27	
d. 5-mo. avg. price	\$/bu.	1.33	1.48	2.30	
e. Target price	\$/bu.	2.88	2.88	2.78	
II. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	9.156974	8.387192	7.506773	
b. Program yield 1/	Bu/acre	60.262	59.313	58.626	
c. Reference price (1b, 1c, or 1d) 2/	\$/bu.	1.820	1.740	2.300	1.953
d. Basic payment rate (1e – 2c) 2/	\$/bu.	1.060	1.140	0.480	
e. Estimated payments (2a*2b*2d)	Mil. dol.	584.924	567.115	211.244	
f. Actual basic payments 1/	Mil. dol.	540.422	554.128	211.028	
g. Adjustment required (2f/2e) 3/	Ratio	0.9239182	0.9771005	0.9989762	0.9666650
III. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.295883	0.369667	0.9732315	
b. Program yield 1/	Bu/acre	51.9	51.9	52.3	
c. Projected payment rate 1/	\$/bu.	0.980	1.140	1.080	
d. 0–50/92 payment rate (max 2d, 3c) 4/	\$/bu.	1.060	1.140	1.080	
e. Implied reference price (1e – 3d) 4/	\$/bu.	1.820	1.740	1.700	1.753
f. Estimated payments (3a*3b*3d)	Mil. dol.	16.278	21.872	54.972	
g. Actual 0–50/92 payments 1/	Mil. dol.	16.278	21.872	54.972	
h. Adjustment required (3g/3f) 3/	Ratio	1.0000180	1.0000129	0.9999999	1.0000102
Total deficiency payments (2f + 3g)	Mil. dol.	556.700	576.000	266.000	466.233
Recalculated payments (1986–88 average reference price):					
i. Target price (1e)	\$/bu.	2.880	2.880	2.780	
j. Average reference price for basic payments (2c)	\$/bu.	1.953	1.953	1.953	
k. Average reference price for 0–50/92 payments (3e)	\$/bu.	1.753	1.753	1.753	
l. Basic payment rate (5a – 5b)	\$/bu.	0.927	0.927	0.827	
m. 0–50/92 payment rate (5a – 5c)	\$/bu.	1.127	1.127	1.027	
n. Eligible production for basic payments (2a*2b)	Mil. bu.	551.815	497.469	440.092	
o. Eligible production for 0–50/92 payments (3a*3b)	Mil. bu.	15.356	19.186	50.900	
p. Estimated basic payments (5d*5f*2g)	Mil. dol.	472.444	450.432	363.437	428.771
q. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	17.302	21.616	52.257	30.392
r. Estimated total payments (5h + 5i)	Mil. dol.	489.746	472.048	415.694	459.163
Recalculated payments (1986–88 average reference price), metric:					
			MT/bu:		0.0254012
s. Target price (1e)	\$/MT	113.381	113.381	109.444	112.068
t. Average reference price for basic payments (2c)	\$/MT	76.899	76.899	76.899	76.899
u. Average reference price for 0–50/92 payments (3e)	\$/MT	69.026	69.026	69.026	69.026
v. Basic payment rate (6a – 6b)	\$/MT	36.481	36.481	32.544	35.169
w. 0–50/92 payment rate (6a – 6c)	\$/MT	44.355	44.355	40.418	43.043
x. Eligible production for basic payments (2a*2b)	MMT	14.017	12.636	11.179	12.611
y. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.390	0.487	1.293	0.723
z. Estimated basic payments (6d*6f*2g)	Mil. dol.	472.444	450.432	363.437	428.771
aa. Estimated 0–50/92 payments (6e*6g*3h)	Mil. dol.	17.302	21.616	52.257	30.392
ab. Estimated total payments (6h + 6i)	Mil. dol.	489.746	472.048	415.694	459.163

Source: ASCS/CAD, or derived from ASCS/CAD data.

The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the market price or the loan rate, so these two prices are the reference prices. The basic loan rate or a five-month average price is used unless the Findley loan rate is implemented. In the Findley loan rate option, used for 1986–88, the reference price is the higher of the five-month average price or the basic loan rate, except that if the market year average price is less than the basic loan rate, the reference price is the higher of the market year average price and the Findley loan rate.

This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be implied from the target price and final payment rate.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products		Measure type		Sources and comments	
1		2		3	

Sorghum

Basic deficiency payments, 0-50/92 deficiency payments

See accompanying deficiency payment calculation table for sorghum (Annex table for supporting table 7 for sorghum). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price.

The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices.

Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.

Diversion payment

Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.

Certificate premium

Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans.

The certificate premium subsidy is calculated as the national average percentage market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. The share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms.

Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: AgWeek, Daily Local Cash Grain Prices, weekly issues since June 1986.

Loan forfeit subsidy

The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.

Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, Agricultural Prices.

Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S.

Department of Agriculture, Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Sources and comments
1	2	3

Sorghum	Storage payment	Annual amount of storage payments from the Farmer-owned Reserve program were calculated from monthly loans outstanding and the monthly payment rate of 2.2083 cents per bushel (1.666 cents per bushel for oats). Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
Commodity loan interest subsidy		Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market-CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u>, quarterly interest rate paid by farmers on nonreal estate loans.

AMS NOT SUBJECT TO REDUCTION 1/

Aggregate Measure of Support – Supporting Table for Soybeans

Item	Units	1986	1987	1988	Avg 1986–88
1. Production:					
a. Level	Mil. tons	52.868	52.746	42.153	49.256
b. Value	Mil. dol.	9,274.487	11,391.000	11,487.742	10,717.743
2. Market price support:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments:					
a. Commodity loan forfeit	Mil. dol.	52.730	(14.873)	(1.237)	12.207
Subtotal	Mil. dol.	52.730	(14.873)	(1.237)	12.207
5. Other product-specific support:					
a. Commodity loan interest					
subsidy	Mil. dol.	195.629	49.711	5.915	83.752
Subtotal	Mil. dol.	195.629	49.711	5.915	83.752
6. Aggregate measure of support (2+3+4+5)	Mil. dol.	248.359	34.838	4.678	95.958
7. Prices:					
a. Producer price	Dol./ton	175.635	216.053	272.639	221.442
b. Loan rate	Dol./ton	175.268	175.268	175.268	175.268

1/ AMS is not subject to reduction because it is less than 5 percent of the value of production ($0.05 \times \$10,717.743 \text{ mil.} = \$535.887$), based on Part IV, Article 6, L. Text on Agriculture.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Soybeans Loan forfeit subsidy

The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited.

Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, Agricultural Prices.

Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, Report of the Financial Conditions of the Commodity Credit Corporation, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3
Soybeans	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market-CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop year crop placed under loan. Also includes the additional estimated interest subsidy when loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free.
		Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
		Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u> , quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Sugar

Item	Units	1986	1987	1988	Avg 1986–88
1. Production:					
a. Level, raw production (Oct.1 – Sept. 30)	Thou. Tons	6,245.855	6,482.744	6,089.026	6,272.542
b. Value	Mil. dol.	1,726.495	1,925.248	1,900.101	1,850.615
c. Level, refined production	Thou. Tons	5,837.248	6,058.639	5,690.678	5,862.188
2. Market price support:					
a. Price support/quota	Mil. dol.	1,036.862	1,076.188	1,010.827	1,041.293
Subtotal	Mil. dol.	1,036.862	1,076.188	1,010.827	1,041.293
3. Price related direct payments:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments:					
a. Commodity loan forfeit	Mil. dol.	0.000	0.000	0.000	0.000
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
5. Other product-specific support:					
a. Commodity loan interest subsidy:					
Beets	Mil. dol.	6.741	8.706	8.394	7.947
Cane	Mil. dol.	5.885	4.806	4.633	5.108
Subtotal	Mil. dol.	12.626	13.512	13.027	13.055
6. Aggregate Measure of Support (2+3+4+5)	Mil. dol.	1,049.488	1,089.700	1,023.854	1,054.348
7. Prices and market price support calculation:					
a. Producer Price (New York futures price)	Dol./ton	475.996	487.479	492.513	485.329
b. Support Price	Dol./ton	396.832	396.832	396.832	396.832
c. World Price (Caribbean price)	Dol./ton	138.450	205.691	262.350	202.164
d. Transportation Cost	Dol./ton	28.660	28.660	28.660	28.660
e. Price gap (b – \$202.164 – \$28.66) 1/	Dol./ton	166.008	166.008	166.008	166.008
f. Market price support (1a*7e) 1/	Mil. dol.	1,036.862	1,076.188	1,010.827	1,041.293

1/ Calculated using the 1986–88 average world price as the reference price.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

G/AG/AGST/USA
Page 62

Aggregate Measurements of Support: Market Price Support

Description of basic products	Measure type(s)	Sources and comments
1	2	3
Sugar	Price support/quota	Support calculated on a fiscal year basis as difference between the support price and 1986-88 reference price. The reference price was derived as the fiscal-year average from monthly world raw sugar prices, Contract No. 11-f.o.b. stowed Caribbean port (including Brazil) bulk (spot) price. World price is published by Economic Research Service, U.S. Department of Agriculture, <u>Sugar and Sweetener Situation and Outlook Yearbook</u> , (June 1989). Support price is the average loan rate (\$.18/lb). Eligible production is total production.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3
Sugar	Commodity loan interest subsidy	Interest subsidies on CCC loans were calculated from monthly loan activity data for sugar beets and for sugar cane, using annual average market-CCC interest rate differentials and average loan values for the fiscal year related to the marketing year. For beets and cane, the subsidy was calculated as the 12-month average of value of loans outstanding, times the interest rate differentials; plus the value of the crop forfeited during the fiscal year times the CCC average interest rate for the year. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u>, quarterly interest rate paid by farmers on nonreal estate loans.

AMS NOT SUBJECT TO REDUCTION 1/

Aggregate Measure of Support – Supporting Table for Tobacco

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric):	Thou. tons	527.950	539.250	621.190	562.800
b. Value	Mil. dol.	1,770.258	1,869.569	2,254.206	1,964.678
2. Market price support:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
3. Price related direct payments:					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
4. Other non-exempt direct payments					
Subtotal	Mil. dol.	0.000	0.000	0.000	0.000
5. Other product-specific support:					
a. Commodity loan interest subsidy	Mil. Dol.	90.032	66.659	50.257	68.982666667
b. Fees and levies 2/		(44.603)	(32.299)	(17.039)	(31.313)
Subtotal	Mil. Dol.	45.429	34.3605	33.2182	37.669
6. Aggregate Measure of Support:					
a. Total (2 + 3 + 4 + 5)	Mil. Dol.	45.429	34.3605	33.2182	37.669
7. Prices:					
a. Burley price	Dol./ton	3,450	3,461	3,549	3,487
b. Burley loan rate	Dol./ton	3,280	3,280	3,307	3,289
c. Flue cured price	Dol./ton	3,366	3,499	3,556	3,474
d. Flue cured loan rate	Dol./ton	3,170	3,164	3,181	3,172
e. All tobacco price	Dol./ton	3,355	3,468	3,629	3,484

1/ AMS is not subject to reduction because it is less than 5 percent of the value of production (.05*\$1,964.678 million = \$98.234 million), based on part IV, Article 6, L. Text on Agriculture.

2/ Producer and buyer shares of no-net-cost assessments.

Annex – Supporting Table for Tobacco: No–Net–Cost Assessment Calculation for GATT AMS.

Item	Units	1986	1987	1988	Avg 1986–88
Burley tobacco					
production	Mil. lbs.	419.8	427.5	468.1	438.467
assessment: producer rate	Cents/lb.	2.75	2	0.8	1.850
assessment: buyer rate	Cents/lb.	1.25	2	0.8	1.350
assessment: producer share	Mil. Dol.	11.5445	8.55	3.7448	7.946
assessment: buyer share	Mil. Dol.	5.2475	8.55	3.7448	5.847
assessment: total	Mil. Dol.	16.792	17.1	7.4896	13.794
Flue–cured tobacco					
production	Mil. lbs.	667	683	796	715.333
assessment: producer rate	Cents/lb.	2.5	1	0.5	1.333
assessment: buyer rate	Cents/lb.	1.5	1	0.5	1.000
assessment: producer share	Mil. Dol.	16.675	6.83	3.98	9.162
assessment: buyer share	Mil. Dol.	10.005	6.83	3.98	6.938
assessment: total	Mil. Dol.	26.68	13.66	7.96	16.100
Other tobaccos					
Virginia fire–cured tobacco (type 21)					
production	Mil. lbs.	3.5	2.6	2.9	3.000
assessment: producer rate	Cents/lb.	1	1	1	1.000
assessment: producer share	Mil. Dol.	0.035	0.026	0.029	0.030
Kentucky–Tennessee (types 22–23)					
production	Mil. lbs.	37.8	25	27.8	30.200
assessment: producer rate	Cents/lb.	0	2	3	1.667
assessment: producer share	Mil. Dol.	0	0.5	0.834	0.445
Kentucky–Tennessee (types 35–36)					
production	Mil. lbs.	10.9	6.8	7.4	8.367
assessment: producer rate	Cents/lb.	0	7	8	5.000
assessment: producer share	Mil. Dol.	0	0.476	0.592	0.356
Virginia sun–cured tobacco (type 37)					
production	Mil. lbs.	0.2	0.1	0.1	0.133
assessment: producer rate	Cents/lb.	1	1	1	1.000
assessment: producer share	Mil. Dol.	0.002	0.001	0.001	0.001
Puerto Rican filler tobacco (type 46)					
production	Mil. lbs.	0.2	0.2	0.2	0.200
assessment: producer rate	Cents/lb.	52	53	60	55.000
assessment: producer share	Mil. Dol.	0.104	0.106	0.12	0.110
Cigar filler tobacco (types 42–44)					
production	Mil. lbs.	0.5	0.07	0.03	0.200
assessment: producer rate	Cents/lb.	18	35	44	32.333
assessment: producer share	Mil. Dol.	0.09	0.0245	0.0132	0.043
Cigar binder tobacco (types 53–55)					
production 2/	Mil. lbs.	6	2.7	2	3.567
assessment: producer rate	Cents/lb.	15	15	0	10.000
assessment: producer share	Mil. Dol.	0.9	0.405	0	0.435
Other tobaccos total prod. assessments	Mil. Dol.	1.131	1.5385	1.5892	1.420
Tobacco total producer assessments	Mil. Dol.	29.3505	16.9185	9.314	18.528
Tobacco total buyer assessments	Mil. Dol.	15.2525	15.38	7.7248	12.786
Tobacco total assessments	Mil. Dol.	44.603	32.2985	17.0388	31.313

1/ Loan agreement terminated.

2/ Only type 55 is included for 1986–88; no assessments reported for types 53 and 54.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

G/AG/AGST/USA
Page 66

Description of basic products	Measure type	Source and Comments
1	2	3
Tobacco	Commodity loan interest subsidy	Interest subsidies on CCC loans were calculated from monthly loan activity data for all tobacco, using annual average market-CCC interest rate differentials and average loan values for the fiscal year related to the marketing year. The subsidy was calculated as the 12 month average of value of loans outstanding, times the interest rate differentials; plus the value of the crop forfeited during the fiscal year times the CCC average interest rate for the year. Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u>, quarterly interest rate paid by farmers on nonreal estate loans.
	Fees and levies	The calculated total amount of the no-net-cost assessment was subtracted from the tobacco AMS in column 5, supporting table 8. See the accompanying annex table to supporting table 7. Producers and buyers share the cost of the assessments. The assessments are meant to cover all the CCC costs of the tobacco price support program. The interest benefit to the producers comes from receiving loan proceeds prior to the time of final sale by the producer association. The CCC interest rate is the basis for the CCC cost, but the commercial interest rate is a minimum estimate of the interest cost producers would have to pay to borrow outside the CCC program.

Aggregate Measure of Support – Supporting Table for Wheat

Item	Units	1986	1987	1988	Avg 1986–88
1. Production					
a. Level (metric) 1/	Thou. tons	56,907.6890	57,361.8062	49,320.0467	54,529.8473
b. Value	Mil. dol.	5,041.8880	5,497.7120	6,683.9990	5,741.1997
2. Market price support					
Subtotal	Mil. dol.	0.0000	0.0000	0.0000	0.0000
3. Price related direct payments:					
a. Basic deficiency payments 2/	Mil. dol.	2,649.1332	2,627.3911	2,164.2223	2,480.2489
b. 0–50/92 deficiency payments 2/	Mil. dol.	56.5605	188.0064	167.3147	137.2939
Subtotal	Mil. dol.	2,705.6937	2,815.3975	2,331.5370	2,617.5427
4. Other non-exempt direct payments					
a. Diversion payments	Mil. dol.	215.4000	0.0000	0.0000	71.8000
b. Certificate Premium	Mil. dol.	117.4020	82.6690	(4.7200)	65.1170
c. Commodity loan forfeit	Mil. dol.	487.3720	105.5140	(10.2960)	194.1967
Subtotal	Mil. dol.	820.1740	188.1830	(15.0160)	331.1137
5. Other product-specific support					
a. Storage payments	Mil. dol.	170.3300	144.7460	98.9680	138.0147
b. Commodity loan interest subsidy	Mil. dol.	376.4770	309.1450	186.7000	290.7740
Subtotal (a + b)	Mil. dol.	546.8070	453.8910	285.6680	428.7887
6. Aggregate Measure of Support					
a. Total (2 + 3 + 4 + 5)	Mil. dol.	4,072.6747	3,457.4715	2,602.1890	3,377.4451

1/ Actual production.

2/ Recalculated using 1986–88 reference price and current administered price and current eligible production.

Annex – Supporting Table for Wheat: Deficiency Payment Calculation for GATT AMS.

Item	Units	1986	1987	1988	Avg 1986–88
1. Loan rates and prices: 1/					
a. Basic loan	\$/bu.	3.0000	2.8500	2.7600	
b. Findley loan	\$/bu.	2.4000	2.2800	2.2100	
c. Marketing year average price	\$/bu.	2.4200	2.5700	3.7200	
d. 5-mo. avg. price	\$/bu.	2.3200	2.4200	3.5400	
e. Target price	\$/bu.	4.3800	4.3800	4.2300	
2. Basic deficiency payments:					
a. Eligible acres 1/	Mil. acres	50.6679	50.5182	48.0345	
b. Program yield 1/	Bu/acre	35.0315	35.1051	34.4115	
c. Reference price (1b, 1c, or 1d) 2/	\$/bu.	2.4000	2.5700	3.5400	2.8367
d. Basic payment rate (1e – 2c) 2/	\$/bu.	1.9800	1.8100	0.6900	
e. Estimated payments (2a*2b*2d)	Mil. dol.	3,514.4467	3,209.9409	1,140.5291	
f. Actual basic payments 1/	Mil. dol.	3,398.6720	3,081.3680	1,071.7560	
g. Adjustment required (2f/2e) 3/	Ratio	0.9671	0.9599	0.9397	0.9556
3. 0–50/92 deficiency payments:					
a. Eligible acres 1/	Mil. acres	0.8673	2.9494	2.7640	
b. Program yield 1/	Bu/acre	33.2000	33.2000	34.2000	
c. Projected payment rate 1/	\$/bu.	1.8300	2.1000	1.5300	
d. 0–50/92 payment rate (max 2d, 3c) 4/	\$/bu.	1.9800	2.1000	1.5300	
e. Implied reference price (1e – 3d) 4/	\$/bu.	2.4000	2.2800	2.7000	2.4600
f. Estimated payments (3a*3b*3d)	Mil. dol.	58.3276	205.6316	144.6280	
g. Actual 0–50/92 payments 1/	Mil. dol.	58.3280	205.6320	144.6280	
h. Adjustment required (3g/3f) 3/	Ratio	1.0000	1.0000	1.0000	1.0000
4. Total deficiency payments (2f + 3g)	Mil. dol.	3,457.0000	3,287.0000	1,216.3840	2,653.4613
5. Recalculated payments (1986–88 average reference price):					
a. Target price (1e)	\$/bu.	4.3800	4.3800	4.2300	
b. Average reference price for basic payments (2c)	\$/bu.	2.8367	2.8367	2.8367	
c. Average reference price for 0–50/92 payments (3e)	\$/bu.	2.4600	2.4600	2.4600	
d. Basic payment rate (5a – 5b)	\$/bu.	1.5433	1.5433	1.3933	
e. 0–50/92 payment rate (5a – 5c)	\$/bu.	1.9200	1.9200	1.7700	
f. Eligible production for basic payments (2a*2b)	Mil. bu.	1,774.9731	1,773.4480	1,652.9408	
g. Eligible production for 0–50/92 payments (3a*3b)	Mil. bu.	29.4584	97.9198	94.5281	
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	2,649.1332	2,627.3911	2,164.2223	2,480.2489
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	56.5605	188.0064	167.3147	137.2939
j. Estimated total payments (5h + 5i)	Mil. dol.	2,705.6937	2,815.3975	2,331.5370	2,617.5427

See notes at end of table.

Continued – –

Annex – Supporting Table for Wheat: Deficiency Payment Calculation for GATT AMS. (continued)

Item	Units	1986	1987	1988	Avg 1986–88
6. Recalculated payments (1986–88 average reference price), metric:					
a. Target price (1e)	\$/MT	160.9374	160.9374	155.4259	159.1002
b. Average reference price for basic payments (2c)	\$/MT	104.2296	104.2296	104.2296	104.2296
c. Average reference price for 0–50/92 payments (3e)	\$/MT	90.3895	90.3895	90.3895	90.3895
d. Basic payment rate (5a – 5b)	\$/MT	56.7078	56.7078	51.1962	
e. 0–50/92 payment rate (5a – 5c)	\$/MT	70.5479	70.5479	65.0363	
f. Eligible production for basic payments (2a*2b)	MMT	48.3069	48.2654	44.9857	47.1860
g. Eligible production for 0–50/92 payments (3a*3b)	MMT	0.8017	2.6649	2.5726	2.0131
h. Estimated basic payments (5d*5f*2g)	Mil. dol.	2,649.1332	2,627.3911	2,164.2223	2,480.2489
i. Estimated 0–50/92 payments (5e*5g*3h)	Mil. dol.	56.5605	188.0064	167.3147	137.2939
j. Estimated total payments (5h + 5i)	Mil. dol.	2,705.6937	2,815.3975	2,331.5370	2,617.5427

1/ Source: ASCS/CAD, or derived from ASCS/CAD data.

2/ The basic deficiency payment rate is defined in the GATT analysis as the difference between the target price and the 1986–88 average reference price. By law, in general, the payment rate is the target price minus the maximum of the market price or the loan rate, so these latter prices are the reference prices. The basic loan rate or a five-month average price is used unless the Findley loan rate is implemented. With the Findley loan rate option, used for 1986–88, the reference price is the higher of the five-month average price or the basic loan rate, except that if the market year average price is less than the basic loan rate, the reference price is the higher of the market year average price or the Findley loan rate.

3/ This method provides an estimate of actual payments. The adjustment is needed to reproduce the actual payment amount. This is justified because of payment limitations, for example.

4/ The 0–50/92 payment rate is the larger of the projected or the basic payment rate, so the reference price can only be derived from the target price and final payment rate.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3
Wheat	Basic deficiency payments, 0-50/92 deficiency payments	See accompanying deficiency payment calculation table for wheat (Annex table for supporting table 7 for wheat). The deficiency payments are disaggregated into basic and 0-50/92 payments, because each may have its own distinct fixed reference price. The administered price is the current target price. The external reference price is the 1986-88 average of the higher of a commodity loan rate or market price (see separate note on payment reference prices). Eligible production is the current acreage participating in the program multiplied times the program yield. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices. Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
Diversion payment		Actual budget expenditures were used. Per bushel payments are made to producers for each bushel diverted from production, based on the acreage diverted multiplied times the program yield.
Certificate premium		Source is the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Generic certificates were issued in lieu of cash for deficiency, disaster, and diversion payments beginning in June 1986. The certificates could be redeemed for CCC commodities stored in various places around the country or for cash. A market for the certificates developed because of certain storage and transportation savings potentials and because the posted county price for redemptions compared to actual market prices allowed some profit taking related to the use of the certificate to pay off CCC loans. The certificate premium subsidy is calculated as the national average percent. A market premium above the face value of the certificates, multiplied by the total value of payment certificates not redeemed for cash. A share of this subsidy for each commodity is equal to the estimated commodity share of all redemptions, measured in dollar terms. Source for the volume of certificates issued and redeemed for cash: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications. Source for the certificate premium on certificates not redeemed for cash: <u>AgWeek</u>, Daily Local Cash Grain Prices, weekly issues since June 1986.
Loan forfeit subsidy		The loan forfeit subsidy is the difference between the per unit loan value of commodities forfeited to the CCC and the market year average price, multiplied by the quantity of the crop that was forfeited. Source for market year average prices: National Agricultural Statistics Service, U.S. Department of Agriculture, <u>Agricultural Prices</u>. Source for the value and quantity of crops forfeited to the CCC to settle CCC loans, by fiscal year: Commodity Credit Corporation, U.S. Department of Agriculture, <u>Report of the Financial Conditions of the Commodity Credit Corporation</u>, for Fiscal years 1987, 1988, and 1989 (crop years 1986, 1987, and 1988), and personal communications. Wheat, oats, and barley data were obtained on their crop year basis instead of on a fiscal year basis.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA
Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	
1	2	3

Sources and comments

Wheat	Storage payment	Annual amount of storage payments from the Farmer-owned Reserve program were calculated from monthly loans outstanding and the monthly payment rate of 2.2083 cents per bushel (1.666 cents per bushel for oats).
		Sources: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
	Commodity loan interest subsidy	Interest subsidies on CCC loans calculated from monthly loan activity data, by crop year, using market-CCC interest rate differentials and loan values. Includes estimated monthly subsidies on loans outstanding during a fiscal year for each crop placed under loan. Also includes the additional estimated interest subsidy when the loans are forfeited to the CCC to settle the loan or when the loan is paid back under a marketing loan arrangement or with generic commodity certificates, in which cases the loans are interest free.
		Sources for loan activity data and CCC monthly interest rates: Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, personal communications.
		Source for commercial market rates of interest: Federal Reserve Bank, <u>Agricultural Finance Data Book</u> , quarterly interest rate paid by farmers on nonreal estate loans.

Aggregate Measure of Support – Supporting Table for Wool

Item	Units	1986	1987	1988	Avg 1986–88
1. Production 1/					
a. Level (metric) (shorn and from unshorn lambs)	Thous. tons	38.46462638	38.32854869	40.59651015	39.129895074
b. Value (market price* production)	Mil. dol.	56.6464	77.4865	123.51	85.880966667
2. Market price support:					
sub-total	Mil. dol.	0	0	0	0
3. Price related direct payments:					
a. Support payments 2/	Mil. dol.	72.94439448	84.2166928	77.97322917	78.378105482
sub-total	Mil. dol.	72.94439448	84.2166928	77.97322917	78.378105482
4. Other non-exempt direct payments:					
sub-total	Mil. dol.	0	0	0	0
5. Other product specific support:					
a. Fees and levies	Mil. dol.	0	0	0	0
sub-total	Mil. dol.	0	0	0	0
6. Aggregate Measure of Support					
a. Total (2 +3 +4 +5) 3/	Mil. dol.	72.94439448	84.2166928	77.97322917	78.378105482

1/ Source: NASS, actual wool production, 1986 84.8 mil. lbs., 1987 84.5 mil. lbs., 1988 89.5 mil. lbs.

Value based on NASS production and average market price.

2/ Support payments derived in worksheet (5c) and are based on ASCS marketings.

3/ AMS is based on 1986–88 average reference price.

Annex – Supporting Table for Wool: Support Payment Calculation.

Item	Units	1986	1987	1988	1986–88
1. Production for payments:					
a. Shorn wool production 1/	Mil. lbs.	81.344	79.366	84.800	81.837
b. Value of shorn wool production (1a*2b)	Mil. dol.	54.338	72.779	117.024	81.380
c. Unshorn lambs (slaughtered for meat)	Mil. cwt.	4.633	4.717	4.6	4.650
d. Production for payment (1a+5*.8*1c) 2/	Mil. lbs.	99.876	98.234	103.2	67.160
2. Prices					
a. Support price	\$/lb.	1.78	1.81	1.78	1.790
b. Average market price (cal. yr.)	\$/lb.	0.668	0.917	1.38	0.988
3. Support payment rate:					
a. Current reference price 3/	\$/lb.	0.668	0.917	1.380	0.988
b. Payment rate for shorn wool (2a–3a)/3a*100	percent	166.5%	97.4%	29.0%	97.6%
c. Payment rate for unshorn wool (2a–3a)*5*.8 4/	dol./cwt	4.448	3.572	1.6	3.207
4. Support payments:					
a. Calculated payments for shorn wool (1b*3b)	Mil. dol.	90.455	70.874	33.920	65.083
b. Calculated payments for unshorn wool (1c*3c)	Mil. dol.	20.608	16.849	7.360	14.939
c. Total calculated payments (4a+4b)	Mil. dol.	111.062	87.723	41.280	80.022
d. Actual payments	Mil. dol.	102.460	91.528	39.397	77.795
e. Adjusted rate implied (4d/4c)	Ratio	0.9225468	1.0433756	0.9543847	0.9734357
5. 1986–88 ref. price payments:					
a. Ref. price implied (2a – 4c/1d)	\$/lb.	0.668	0.917	1.380	0.988
b. Fixed avg. 1986–88 ref. price (5a)	\$/lb.	0.988	0.988	0.988	0.988
c. Recalculated payments (1d* (2a – 5b)*4e) 5/	Mil. dol.	72.944	84.217	77.973	78.378
6. 1986–88 ref. price payments (Metric):					
a. Ref. price implied (2a – 4c/1d)	\$/MT	1472.688	2021.639	3042.380	2178.902
b. Fixed avg. 1986–88 ref. price (5a)	\$/MT	2178.902	2178.902	2178.902	2178.902
c. Recalculated payments (1d* (2a – 5b)*4e) 5/	Mil. dol.	72.944	84.217	77.973	78.378
d. Production for payment (1a+5*.8*1c) 2/	MMT	0.045303	0.044558	0.046811	0.045557
e. Support price (2a)	\$/MT	3924.22894	3990.36763	3924.22894	3,946.275

1/ Source: ASCS, based on marketings.

2/ Production for payment includes production for shorn wool plus each cwt. of slaughter lamb is assumed to produce 5 lbs. of wool discounted by 20 percent for quality differences.

3/ Reference price is the market price for wool.

4/ Calculated payment rate for unshorn wool is based on the difference between the wool support rate and the wool market price, multiplied by the quantity of lamb marketings (cwt. basis) times 5 (assumed wool production per cwt.) times .8 (quality discount factor).

5/ Adjusted for both shorn and unshorn wool.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

G/AG/AGST/USA

288

Page 74

Aggregate Measures of Support: Non-Exempt Direct Payments

Description of basic products	Measure type	Sources and comments
1	2	3

Wool Support payments

See accompanying support payment calculation table for wool (Annex table for supporting table 7 for wool). Administered price is the support level for wool. The external reference price is the 1986-88 average market price. Eligible production is the current production based on marketings plus wool from lambs slaughtered for meat. The adjustment factor in column 10, supporting table 7, is the adjustment for payment limitations and other factors, needed for this simplified approach in order to reproduce the actual level of payments using actual reference prices.

Source: The U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, personal communication.

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Aggregate Measures of Support: Other Product-Specific Support and Total AMS

Description of basic products	Measure type	Source and Comments
1	2	3

Wool	Fees and levies	The wool promotion program fee was not deducted from the AMS in column 5, supporting table 8, because these deductions support the wool advertising, educational, and promotion activities of the American Sheep Producers Council. Such deductions were approved in a referendum held in 1986. The adjustment to support required by the Omnibus Budget Reconciliation Act of 1987 is already reflected in the level of payments received.
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Source: The U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, personal communication.

Supporting Table 10
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Measure type	Non - Product - Specific AMS					Data sources and comments
	Non-product - specific budgetary outlays	Other non-product - specific support	Associated fees/levies	Total non-product - specific support		
	2	3	4	5		
Irrigation on Bureau of Reclamation Projects in 17 Western States:						
Estimated water subsidies -- 1986		543.3				Estimate provided to the Honorable George Miller, Chairman, Subcommittee on Water and Power Resources, February 24, 1988, by the U.S. Department of Interior. This was in answer to the question: "What is the average annual irrigation subsidy provided through the Reclamation program?" An answer was included for 1986.
Amount assumed for each year, for the AMS 1986-88 --						Estimates do not exist for each year, so the 1986 estimate was assumed for all years.
1986		543.3		543.3		
1987		543.3		543.3		
1988		543.3		543.3		
1986-88		543.3		543.3		

Continued

Supporting Table 10

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Non - Product - Specific AMS					
Measure type	* Non-product - specific budgetary outlays	Other non-product - specific support	Associated fees/levies	Total non-product - specific support	Data sources and comments
1	2	3	4	5	
Million dollars					
Net Federal budget outlays for grazing livestock on Federal Land - -					
1986	49,600		23,400	26,200	The data are net budget outlays for livestock grazing on public range land in 16 Western States operated by the Forest Service and Bureau of Land Management. The net budget outlays include (as negative outlays) the receipts for fees paid by livestock producers, but do not include other "non-fee" costs paid by the producers, such as for building and maintaining water supplies and fences. Including the other non-fee costs could reduce the net outlay figure, perhaps to zero.
1987	49,800		22,500	27,300	
1988	48,800		25,000	23,800	
1986 - 88 avg.	49,400		23,633	25,767	
Crop Insurance subsidized by the Federal Crop Insurance Corporation:					
Indemnities paid to farmers - -					
1986	615,043		379,372	235,671	Crop insurance is provided to farmers at subsidized rates. Per unit indemnities are paid whenever there are decreases in production yield below the guaranteed yield level. The guaranteed yield is selected by the producer from the options - - 50%, 65%, or 75% of average yield. No formal "disaster" proclamation by the government is required before payments are made. Fees paid by farmers are contracted - for premiums, which are subsidized. The subsidy is reflected in the net value of the indemnities less premiums.
1987	369,507		364,712	4,795	
1988	1,063,762		436,794	626,968	
1986 - 88 avg.	682,771		393,626	289,145	

Supporting Table 10
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
DOMESTIC SUPPORT: UNITED STATES OF AMERICA

Measure type	Non-Product-Specific AMS					Data sources and comments
	1	2	3	4	5	
		Non-product-specific budgetary outlays	Other non-product-specific support	Associated fees/levies	Total non-product-specific support	
Million dollars						
State Credit programs:						Various credit related programs for agriculture are funded by State governments to: supplement Federal programs, promote the 'family farm,' assist during economic downturns, and promote new enterprises and technological innovations. The data come from results of a mail survey by the U.S. Department of Agriculture, Economic Research Service, reported by G. B. Wallace and others in "State Credit Subsidy Programs for Agriculture," Agricultural Income and Finance Situation and Outlook Report, pp. 10-14 (December 1990).
1986		28,661			28,661	
1987		49,962			49,962	
1988		51,172			51,172	
1986-88 avg.		43,265			43,265	
Total non-product specific support:						
1986					833,832	AMS IS NOT SUBJECT TO REDUCTION BECAUSE THE TOTAL IS LESS THAN 5 PERCENT OF VALUE OF PRODUCTION OF U.S. AGRICULTURE (Part IV, Article 6, Draft Text on Agriculture). (05*\$142,929,897 mil. = \$ 7,146,495 mil.)
1987					625,357	
1988					1245,24	
1986-88 avg.					901,476	

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments including Measure Description
WHEAT 1/2/	2	3	4	5	6	7	8	9	10
(a) 1986	610,889,863.90					610,889,863.90	15,049,930	FY 1987; USDA	Export Enhancement Program
(b) 1987	851,768,937.44					851,768,937.44	27,039,452	FY 1988; USDA	Export Enhancement Program
(c) 1988	318,659,518.78					318,659,518.78	16,651,163	FY 1989; USDA	Export Enhancement Program
(d) 1989	254,957,298.38					254,957,298.38	14,688,396	FY 1990; USDA	Export Enhancement Program
(e) 1990	805,926,072.87					805,926,072.87	18,482,830	FY 1991; USDA	Export Enhancement Program
(f) AVERAGE 1986 - 1990	568,460,338.27					568,460,338.27	18,382,354		
1991	838,633,656.20					838,633,656.20	20,115,691	FY 1992; USDA	Export Enhancement Program
1992	853,038,652.12					853,038,652.12	22,647,401	FY 1993; USDA	Export Enhancement Program
AVERAGE 1991/1992	845,836,154.16					845,836,154.16	21,381,546		

1/ Includes durum, wheat flour and semolina

2/ Flour converted to a wheat basis; coefficient = 1.38

Supporting Table 11
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
EXPORT COMPETITION UNITED STATES OF AMERICA
Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	1	2	3	4	5	6	7	8	Data Source	Comments Including Measure Description
COARSE GRAINS 1/2/										
(a) 1986		162,646,826.44					162,646,826.44	3,707,968	FY 1987; USDA	Export Enhancement Program
(b) 1987		76,796,644.29					76,796,644.29	2,030,563	FY 1988; USDA	Export Enhancement Program
(c) 1988		4,020,840.17					4,020,840.17	534,691	FY 1989; USDA	Export Enhancement Program
(d) 1989		39,661,440.94					39,661,440.94	1,762,582	FY 1990; USDA	Export Enhancement Program
(e) 1990		77,169,212.30					77,169,212.30	1,841,404	FY 1991; USDA	Export Enhancement Program
(f) AVERAGE 1986 - 1990		72,058,992.83					72,058,992.83	1,975,442		

1/ Includes barley malt

2/ Barley malt converted to barley basis; coefficient = 1.41

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments including Measure Description
RCE	2	3	4	5	6	7	8	9	10
(a) 1986	1,164,028.80					1,164,028.80	28,000	FY 1987; USDA	Export Enhancement Program
(b) 1987	13,025,599.95					13,025,599.95	120,450	FY 1988; USDA	Export Enhancement Program
(c) 1988	226,214.00					226,214.00	20,000	FY 1989; USDA	Export Enhancement Program
(d) 1989	0.00					0.00	0	FY 1990; USDA	Export Enhancement Program
(e) 1990	4,091,380.24					4,091,380.24	75,560	FY 1991; USDA	Export Enhancement Program
(f) AVERAGE 1986-1990	3,701,444.60					3,701,444.60	48,802		
1991	23,438,097.00					23,438,097.00	358,110	FY 1992; USDA	Export Enhancement Program
1992	13,308,373.63					13,308,373.63	278,452	FY 1993; USDA	Export Enhancement Program
AVERAGE 1991/1992	18,373,235.32					18,373,235.32	318,281		

Supporting Table 11 AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	1	2	3	4	5	6	7	8	Data Source	Comments Including Measure Description
VEGETABLE OILS										
(a) 1986		992,790.00					992,790.00	25,000	FY 1987; USDA	EEP 1/
(b) 1987		50,288,520.86					50,288,520.86	357,000	FY 1988; USDA	EEP
(c) 1988		19,589,577.19					19,589,577.19	158,800	FY 1989; USDA	EEP; SOAP 2/
(d) 1989		8,147,543.75					8,147,543.75	71,500	FY 1990; USDA	EEP; SOAP
(e) 1990		31,004,225.98					31,004,225.98	282,000	FY 1991; USDA	EEP; SOAP; COAP 3/
(f) AVERAGE 1986 - 1990		22,004,531.52					22,004,531.52	178,860		
1991		53,601,101.74					53,601,101.74	737,098	FY 1992; USDA	EEP; SOAP; COAP
1992		67,868,580.34					67,868,580.34	618,473	FY 1993; USDA	EEP; SOAP; COAP
AVERAGE 1991/1992		60,734,841.04					60,734,841.04	676,786		

1/ Export Enhancement Program

2/ Sunflowerseed Oil Assistance Program

3/ Cottonseed Oil Assistance Program

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
BUTTER & BUTTER OIL 1/	2	3	4	5	6	7	8	9	10
(a) 1986	0.00	10,657,230.00				10,657,230.00	3,750	FY 1986; USDA	CCC Direct Sales 2/
(b) 1987	0.00	33,322,603.00				33,322,603.00	13,454	FY 1987; USDA	CCC Direct Sales
(c) 1988	0.00	51,847,471.00				51,847,471.00	21,104	FY 1988; USDA	CCC Direct Sales
(d) 1989	0.00	124,744,620.00				124,744,620.00	84,241	FY 1989; USDA	CCC Direct Sales
(e) 1990	9,245,905.52	8,441,703.00				17,667,608.52	10,974	FY 1990; USDA	CCC Direct Sales; DEIP 3/
(f) AVERAGE 1986-1990	1,849,181.10	45,802,725.40				47,651,906.50	26,705		
1991							68,905	FY 1992; USDA	CCC Direct Sales; DEIP
1992							25,831	FY 1993; USDA	CCC Direct Sales; DEIP
AVERAGE 1991/1992							47,368		

1/ Butter oil converted to a butter basis; coefficient = 1.25

2/ Commodity Credit Corporation Direct Sales

3/ Duty Export Incentive Program

Supporting Table 11
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
EXPORT COMPETITION UNITED STATES OF AMERICA
Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
1 SKIM MILK POWDER 1/	2	3	4	5	6	7	8	9	10
(a) 1986	0.00	366,977,475.00				366,977,475.00	167,785	FY 1986; USDA	CCC Direct Sales 2/
(b) 1987	327,763.65	215,034,519.00				215,362,282.65	186,348	FY 1987; USDA	CCC Direct Sales; DEIP 3/
(c) 1988	12,698,097.88	29,211,637.00				41,909,734.88	75,524	FY 1988; USDA	CCC Direct Sales; DEIP
(d) 1989	0.00	0.00				0.00	0	FY 1989; USDA	
(e) 1990	0.00	0.00				0.00	0	FY 1990; USDA	
(f) AVERAGE 1986-1990	2,605,172.31	126,244,726.20				126,649,898.51	86,331		
1991							79,681	FY 1992; USDA	CCC Direct Sales; DEIP
1992							152,782	FY 1993; USDA	CCC Direct Sales; DEIP
AVERAGE 1991/1992							116,232		

1/ Non-fat Dry Milk
2/ Commodity Credit Corporation Direct Sales
3/ Dairy Export Incentive Program

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	1	2	3	4	5	6	7	8	9	10
		Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
CHEESE										
(a) 1986		0.00					0.00	0	FY 1986; USDA	
(b) 1987		9,692,631.00					9,692,631.00	6,000	FY 1987; USDA	CCC Direct Sales 1/
(c) 1988		18,710,792.00					18,710,792.00	13,180	FY 1988; USDA	CCC Direct Sales
(d) 1989		0.00					0.00	0	FY 1989; USDA	
(e) 1990		0.00					0.00	0	FY 1990; USDA	
(f) AVERAGE 1986-1990		5,680,684.60					5,680,684.60	3,836		
1991								3,772	FY 1992; USDA	Dairy Export Incentive Program
1992								4,205	FY 1993; USDA	Dairy Export Incentive Program
AVERAGE 1991/1992								3,989		

1/ Commodity Credit Corporation Direct Sales

Supporting Table 11
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA
EXPORT COMPETITION: UNITED STATES OF AMERICA
Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	1	2	3	4	5	6	7	8	9	10
		Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
OTHER MILK PRODUCTS										
(a) 1986		0.00					0.00	0	FY 1986; USDA	
(b) 1987		18,072.51					18,072.51	24	FY 1987; USDA	Dairy Export Incentive Program
(c) 1988		145,785.58					145,785.58	193	FY 1988; USDA	Dairy Export Incentive Program
(d) 1989		0.00					0.00	0	FY 1989; USDA	
(e) 1990		0.00					0.00	0	FY 1990; USDA	
(f) AVERAGE 1986 - 1990		32,771.62					32,771.62	43		
1991		14,162,785.41					14,162,785.41	12,470	FY 1992; USDA	Dairy Export Incentive Program
1992		20,326,713.65					20,326,713.65	17,409	FY 1993; USDA	Dairy Export Incentive Program
AVERAGE 1991/1992		17,244,749.53					17,244,749.53	14,940		

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	1	2	3	4	5	6	7	8	9	10
		Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
BOVINE MEAT										
(a) 1986			158,441,963.00				158,441,963.00	90,825	FY 1986; USDA	CCC Direct Sales 1/
(b) 1987			19,856,208.00				19,856,208.00	20,500	FY 1987; USDA	CCC Direct Sales
(c) 1988			0.00				0.00	0	FY 1988; USDA	
(d) 1989			0.00				0.00	0	FY 1989; USDA	
(e) 1990			0.00				0.00	0	FY 1990; USDA	
(f) AVERAGE 1986-1990			35,659,634.20				35,659,634.20	22,265		

1/ Commodity Credit Corporation Direct Sales

Supporting Table 11
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
1 PIGMEAT	2	3	4	5	6	7	8	9	10
(a) 1986		1,537,800.00				1,537,800.00	1,000	FY 1986; USDA	CCC Direct Sales 1/
(b) 1987		2,345,443.00				2,345,443.00	1,500	FY 1987; USDA	CCC Direct Sales
(c) 1988		0.00				0.00	0	FY 1988; USDA	
(d) 1989		0.00				0.00	0	FY 1989; USDA	
(e) 1990		0.00				0.00	0	FY 1990; USDA	
(f) AVERAGE 1986-1990		776,648.60				776,648.60	500		

1/ Commodity Credit Corporation Direct Sales

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
POULTRY MEAT	2	3	4	5	6	7	8	9	10
(a) 1986	31,916,982.88					31,916,982.88	43,000	FY 1986; USDA	Export Enhancement Program
(b) 1987	60,311,208.58					60,311,208.58	94,500	FY 1987; USDA	Export Enhancement Program
(c) 1988	6,840,660.43					6,840,660.43	13,844	FY 1988; USDA	Export Enhancement Program
(d) 1989	3,793,361.10					3,793,361.10	7,800	FY 1989; USDA	Export Enhancement Program
(e) 1990	10,847,370.20					10,847,370.20	18,035	FY 1990; USDA	Export Enhancement Program
(f) AVERAGE 1986-1990	22,741,916.64					22,741,916.64	35,436		

Supporting Table 11 AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (HEAD)	Data Source	Comments including Measure Description
LIVE DAIRY CATTLE	2	3	4	5	6	7	8	9	10
(a) 1986	8,608,500.00					8,608,500.00	6,150	FY 1986; USDA	Export Enhancement Program
(b) 1987	74,208,013.16					74,208,013.16	52,274	FY 1987; USDA	Export Enhancement Program
(c) 1988	10,007,070.00					10,007,070.00	11,349	FY 1988; USDA	Export Enhancement Program
(d) 1989	0.00					0.00	0	FY 1989; USDA	
(e) 1990	0.00					0.00	0	FY 1990; USDA	
(f) AVERAGE 1986-1990	18,564,716.63					18,564,716.63	13,955		

Supporting Table 11

AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (DOZEN)	Data Source	Comments Including Measure Description
EGGS	2	3	4	5	6	7	8	9	10
(a) 1986	0.00					0.00	0	FY 1986; USDA	
(b) 1987	5,074,917.98					5,074,917.98	14,493,559	FY 1987; USDA	Export Enhancement Program
(c) 1988	4,927,851.50					4,927,851.50	17,741,176	FY 1988; USDA	Export Enhancement Program
(d) 1989	626,481.78					626,481.78	4,440,660	FY 1989; USDA	Export Enhancement Program
(e) 1990	1,905,736.94					1,905,736.94	7,119,560	FY 1990; USDA	Export Enhancement Program
(f) AVERAGE 1986-1990	2,506,997.64					2,506,997.64	8,758,991		
1991	4,885,634.55					4,885,634.55	24,290,590	FY 1992; USDA	Export Enhancement Program
1992	12,683,587.10					12,683,587.10	45,569,920	FY 1993; USDA	Export Enhancement Program
AVERAGE 1991/1992	8,784,610.83					8,784,610.83	34,930,255		

Supporting Table 11
AGRICULTURAL NEGOTIATIONS: SUPPORTING DATA

EXPORT COMPETITION: UNITED STATES OF AMERICA

Export Subsidies: Outlay and Quantity Reduction Commitments

Description of Products	Direct Export Subsidies (U.S.\$)	Sales Stocks	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies (U.S.\$)	Quantity of Subsidized Exports (MT)	Data Source	Comments Including Measure Description
FRUIT	2	3	4	5	6	7	8	9	10
(a) 1986						0.00	0		
(b) 1987						0.00	0		
(c) 1988						0.00	0		
(d) 1989						0.00	0		
(e) 1990						0.00	0		
(f) AVERAGE 1986-1990						0.00	0		
1991	209,679.45					209,679.45	1,534	FY 1992; USDA	Export Enhancement Program
1992	346,198.46					346,198.46	2,654	FY 1993; USDA	Export Enhancement Program
AVERAGE 1991/1992	277,938.96					277,938.96	2,094		